

**EFFECT OF STORE LAYOUT ON SALES PERFORMANCE AMONG
SUPERMARKETS IN NAIROBI COUNTY, KENYA**

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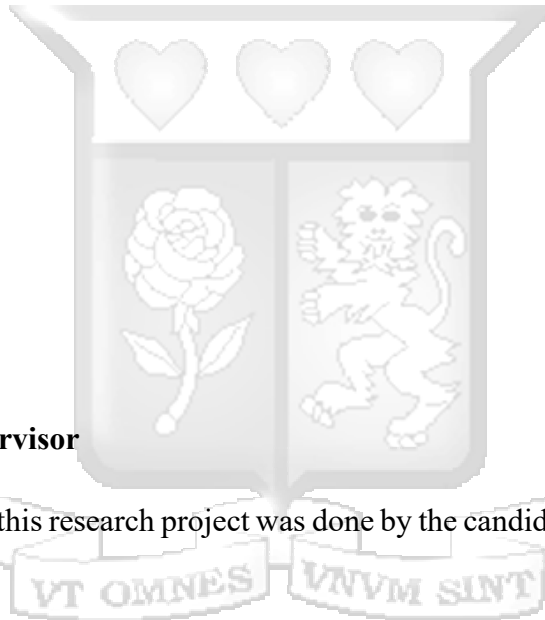
DECLARATION

This research project is my original work and has not been presented for a degree in any other university.

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Declaration by the Supervisor

I confirm that the work in this research project was done by the candidate under my supervision.


Signature: Date: January 15, 2025

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DEDICATION

I present this study to my family, mentors, and friends who have given unwavering support. I dedicate it to my instructors and coworkers, as well as my parents whose guidance has been and still has been invaluable. This work reflects their belief on me and my commitment to achieving academic excellence.



ACKNOWLEDGEMENT

First and foremost, I sincerely thank the almighty God for giving me good health, strength, and resilience to work on this paper. Despite numerous challenges along the way, His guidance has seen me through to the end. Last but not least, I want to express my profound gratitude to my friends for their constant assistance and motivation along this journey and my supervisor Prof. Joseph Odhiambo Onyango, for his invaluable guidance and mentorship in the development of this project.



ABSTRACT

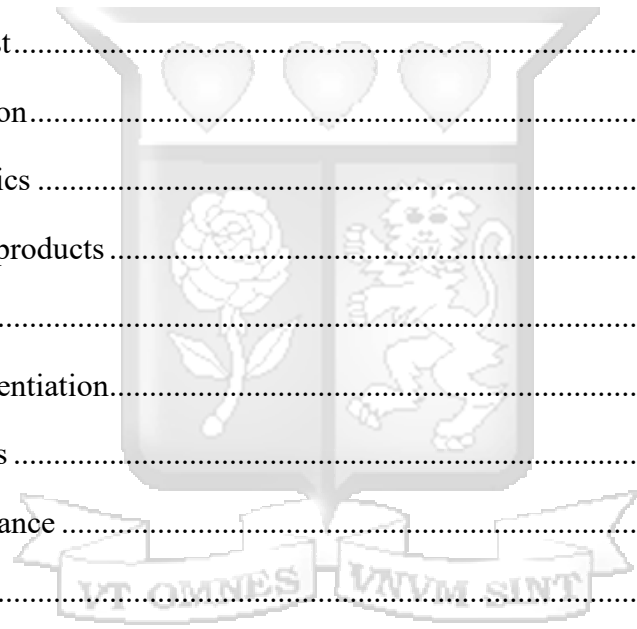
The supermarkets in Kenya are confronted by numerous factors that hinder their ability to deliver the best sales results. Competitors are increasingly becoming more formidable and diversified between local and international players, customers' demands are more sophisticated and buyers are more knowledgeable, technology is rapidly advancing, and all these have created a highly competitive retail environment. Therefore, this study aimed at exploring the effect of store layout on the sales performance of the supermarkets within Nairobi County, Kenya. The specific research objectives were to establish the effect that placement of products, store lighting, product differentiation and product access has on the sales performance of supermarkets in Nairobi County Kenya. The study was therefore informed by Gestalt theory and Goal-Setting Theory. Descriptive research design was used. The target population was 202 and a sample of 134 respondents which included managers, supervisor and staff from Carrefour, Naivas, Chandarana Foodplus and Quickmart supermarkets in Nairobi County, Kenya. The response rate was 77.6%, which indicates that 104 of the surveyed population participated in the study, which enhances the likelihood that the results are representative of the target population. The data was collected through questionnaires that were structured. Quantitative data analysis mainly involved use of descriptive as well as inferential methods. Descriptive statistics includes the mean and standard deviation, which gave measurements to the data in a summarized manner. Inferential statistics entail correlation and regression analysis, whereby the potential relationships shall be studied and hypotheses tested. The study established that placement of products has a positive effect on sales performance among supermarkets in Nairobi County, Kenya. Similarly store lighting positively impacts sales performance among supermarkets in Nairobi County, Kenya. Thirdly, product differentiation has a significantly positive effect on sales performance among supermarkets in Nairobi County, Kenya. Lastly, product access has a positive and significant effect on sales performance among supermarkets in Nairobi County, Kenya. The findings implied that the management should prioritize strategic product placement to enhance sales performance. Management should ensure that stores are well-lit to create an appealing shopping environment, highlight product features, and improve the overall customer experience. Supermarkets should diversify their product offerings and focus on unique selling points, such as quality, affordability, or exclusivity, to stand out in a competitive market. Management should optimize store layouts, ensure efficient distribution channels, and minimize barriers to product access to enhance customer satisfaction and drive sales. Future research should investigate the role of customer service quality on sales performance, as it directly impacts customer satisfaction and loyalty. The effect of pricing strategies, such as discounts, promotions, and dynamic pricing, on sales performance could be examined. Also, the influence of technology, such as self-checkout systems and mobile payment options, on consumer behavior and sales could be explored. Additionally, future studies should explore the effect of store ambiance, including factors like music, scent, and temperature, on sales performance.

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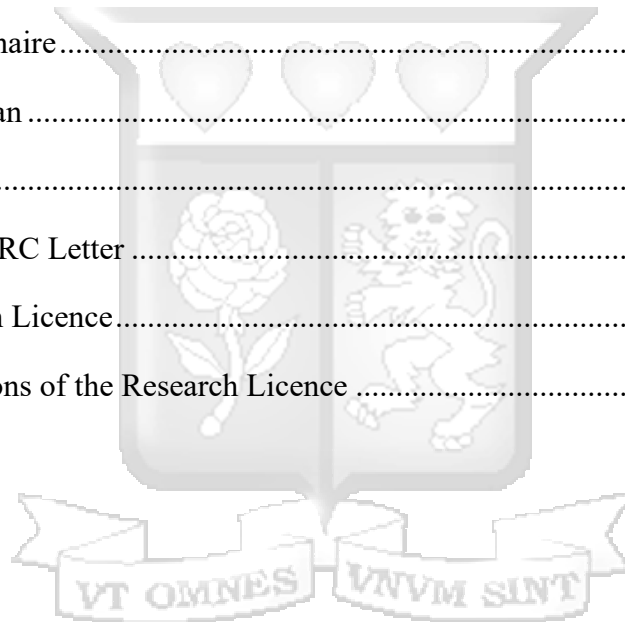
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LIST OF ABBREVIATIONS

FMCG	Fast Moving Consumer Good
NACOSTI	National Commission for Science, Technology and Innovation
SMEs	Small and Medium Sized Enterprises
VIF	Variance Inflation Factor



OPERATIONAL DEFINITION OF TERMS

Placement of products	Refers to the strategic positioning of goods within a store, website, or other retail environment to optimize visibility, accessibility, and sales performance, Smith, (2021).
Product access	Refers to the ease with which customers can locate, reach, and interact with products in a retail or e-commerce environment, Bitner, (2020).
Product Differentiation	The method used to set a product or service apart from competitors to make it more appealing to a specific target audience is commonly referred to as product or service differentiation. It is a key feature of imperfect markets where non-price strategies, such as branding, quality enhancement, and unique features, play a crucial role in influencing consumer choice (Karjaluoto & Vaccaro, 2019).
Sales Performance	This refers to the extent to which the sales team members within an organization successfully achieve or exceed their set targets and objectives, as highlighted by Olson (2021). It serves as a measure of the efficiency and effectiveness of the sales force in contributing to the organization's overall performance and success.
Store lighting	Refers to the deliberate use of various lighting techniques and fixtures within a retail environment to enhance the ambiance, showcase products effectively, and influence customer behavior, Baker & Grewal, D. (2019).

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The business world and especially the retail sector is encountering radical changes in terms of stiff competition as well as shifts in customer preferences and choices. The primary focus of enterprises is fundamentally centered on their survival and their ability to sustain operations while remaining competitive and profitable over time (Kotler, 2016). For this reason, retail stores and other sectors need to adjust to shifts in an organizational landscape that is simultaneously drastic and unstable (Wittington, 2019). According to Menza (2018), the only opportunity is for the businesses in the retail sector to consistently update their marketing techniques in the marketplace and establish strong merchandising plans.

The impact of store layout on sales performance is a critical area of study in retail management, as effective presentation strategies can significantly influence consumer behavior and purchasing decisions. A well-designed store layout enhances customer experience, guiding shoppers through strategic product placements and creating an inviting atmosphere that encourages engagement and impulse buying (Levy & Weitz, 2022). Similarly, visually appealing displays and signage help capture attention, communicate brand identity, and highlight promotional offers, ultimately driving sales (Kerfoot, Davies & Ward, 2023). Understanding these dynamics is essential for retailers aiming to optimize their sales potential through innovative merchandising techniques

Utilizing tools to measure sales performance is essential in minimizing ambiguity about how sales representatives perform their roles. These tools also contribute to strengthening trust between leadership and their teams, as they provide managers with clearer insights into whether sales targets are being met and if efforts are aligned with organizational goals (Mallin, O'Donnell & Hu, 2022). As noted by Küster and Canales (2016), when managers see that sales representatives consistently meet objectives and follow corporate protocols, it enhances communication and teamwork. This alignment fosters a cooperative environment where everyone collaborates toward shared goals.

Globally, Mackrael (2018) investigated the sales figures of Canada's largest retail establishments in December 2017. According to Mackrael (2019), general merchandise store sales performance decreased by 5.3% from a comparable time in 2016. Wood (2015) highlighted a 2.8% decline in sales performance for maternal care outlets during the 2017 fiscal year. Similarly, Hersey (2019) observed a 1.4% reduction in sales performance on an individual store basis for large retail locations in Japan when comparing the first half of 2017 to the equivalent period in 2016.

Regionally, the United Nations Economic Commission for Africa (UNECA, 2019) highlights that the retail sector in Africa is largely dominated by informal retail channels, with approximately 90% of transactions taking place through these informal avenues. This trend points to a significant reliance on informal markets within the continent, which presents unique challenges and opportunities for the formal retail sector. Nigeria alone accounts for 98% of retail transactions happening through small, local, and informal retail channels, followed by Ghana at 98%. Nevertheless, South Africa stands out as a leader in formal retail within the continent, with 60% of South Africans choosing to shop at supermarkets (Nielsen, 2020). In the context of retail performance, store layout and design are critical components. A well-thought-out store layout not only helps guide customers through the store but also encourages product discovery and engagement, ultimately driving sales (Abor & Quartey, 2018; Agyemang & Asumadu, 2019).

Locally, In Kenya, the current trends are influenced greatly by urbanization, increasing consumer demands, as well as the growth in the middle class (Hannah, 2019). The major developments to note include the opening and expansion of different supermarket retail stores to different parts of the country. Quickmart, and Naivas have aggressively expanded and increased the number of stores within the country. It is a common thing to see the two local supermarkets in all the major cities and towns in Kenya.

Secondly, the retail industry in Kenya has seen the entry of new players from the international scene into the market. Hyper supermarkets such as Carrefour have established stores in Kenya, thus creating a healthy environment for competition and improved shopping experiences (Wekesa, 2022). Thirdly, the supermarket retail industry has introduced the use of different forms of technology to enhance the consumer experience. Some of the technical services introduced into the retail industry include online shopping, mobile payment systems, and self-checkout systems in some stores. Finally, consumer demands have also increased in the recent

past especially in urban settings where consumers are increasingly demanding better and higher quality products at lower prices.

Retail stores have become an important contributor to the Kenyan economy, and as the country's economy grows, there is an increasing need to create new business opportunities through the establishment of new retail outlets and the expansion of existing ones (Ndinda, 2022). In recent years, major towns in Kenya have witnessed rapid growth and expansion in retail outlets. However, the retail landscape has also seen some setbacks, with certain stores closing down and others scaling back their branch networks across the country (Mathura, 2020). This fluctuating trend highlights both the potential and the challenges faced by retailers in Kenya's dynamic market.

1.1.1 Store Layout

Store layout are essential components of retail strategy that influence customer perceptions and purchasing behavior. Store layout refers to the practice of designing and displaying products in a way that enhances their appeal and attracts customers, incorporating elements such as lighting, color, signage, and thematic arrangements (Baker et al., 2022). Store layout, on the other hand, involves the strategic organization of a retail space to facilitate easy navigation, optimize product placement, and maximize sales opportunities (Levy & Weitz, 2022). Together, these elements create a compelling shopping environment that can increase foot traffic, encourage impulse buying, and enhance overall customer satisfaction.

Store arrangement and visual displays hold significant importance in self-service retail environments, where minimal staff interaction necessitates a design that guides customers effectively. On the other hand, specialty shops offering extensive staff assistance can leverage a well-structured store layout to reinforce their brand image. Various foundational floor plans are suggested in academic literature. The counter-style arrangement, often seen in stores where transactions are conducted exclusively at the counter, contrasts with the contemporary self-service model (Ebster & Garaus, 2023). Nonetheless, counter layouts remain common in specific retail outlets like bakeries, jewelry stores, pastry shops, small convenience stores, newsstands, and high-end perfumeries.

Store layout serves as a strategic marketing approach focused on optimizing both the internal and external design of a retail space to draw in potential customers (Mattila & Wirtz, 2022). This approach goes beyond just window displays and involves optimizing the store's entire layout, from the entrance to the placement of each product inside. Chandon et al. (2020) note

that visual merchandising plays a significant role in triggering impulsive buying behavior. The technique includes elements such as a visually appealing atmosphere, well-organized shelves, eye-catching window displays, and maintaining cleanliness. The overall goal is to create an engaging sensory experience for customers, which encourages them to return to the store and eventually become loyal patrons (Quidores, 2022). By strategically using visual merchandising, businesses can create a distinctive store environment that captures customers' attention, driving them to visit repeatedly.

Visual presentation in retail is an essential practice for businesses that wish to sustain their competitive advantage and stay pertinent in the marketplace through the use of diverse strategies and methods (Kerfoot, Davies, & Ward, 2022). In this context, visual presentation plays a significant role in the success of retail outlets. It encompasses the thoughtful design of a store's outside and inside spaces to enhance its aesthetic appeal, drawing in shoppers and shaping their purchasing choices. The impact of both the exterior and interior design on consumer behavior is significant, as it has been shown to stimulate interest and encourage purchases. By employing visual merchandising, retailers can effectively showcase products in ways that resonate with the right customer segment, enhancing product appeal and ensuring proper placement (Wanninayake & Randiwela, 2021).

Mattila and Wirtz (2022) describe visual presentation as a promotional strategy focused on enhancing both the outside and inside appearance of a retail location to draw in its intended customers. This approach not only aids in establishing a robust and favorable perception of the store but also sparks the necessary interest and motivation among buyers to make a purchase. The authors highlight the importance of synchronizing the exterior and interior designs to leave a memorable impression, with aesthetics designed specifically for the store's target audience. By prominently displaying a store's distinctive characteristics, retailers can successfully set their brand apart from rivals, cultivating a deeper connection with their clientele and boosting customer loyalty.

The ease of product access significantly impacts sales performance. Baker et al. (2022) found that accessible product displays enhance consumer interaction and reduce purchase hesitation. Moreover, online and in-store integration strategies, such as click-and-collect options, improve customer convenience and satisfaction (Verhoef et al., 2019). Adequate aisle space and logical store layouts also contribute to better product access and increased sales (Sorensen, 2019).

Customer attention, decision-making, and exploration are interconnected concepts that significantly influence shopping behavior and retail sales performance. Capturing customer attention is the first step in engaging shoppers, achieved through strategic store layout elements such as lighting, color schemes, and product displays that draw focus to key areas (Wedel & Pieters, 2022). Once engaged, consumers enter the decision-making phase, where factors like product placement, signage, and promotions shape their perceptions and choices (Kotler & Keller, 2016). An effective store layout encourages exploration by guiding customers through different sections, increasing their exposure to various products and enhancing the likelihood of impulse purchases (Davis, 2021). By integrating these elements, retailers create an engaging shopping environment that influences consumer behavior and drives sales.

Cool colors, the theme of colors, and labels are essential elements of visual merchandising that influence consumer perception and purchasing behavior. Cool colors, such as blue and green, are often associated with calmness and trust, making them effective in creating a relaxed shopping environment that encourages longer browsing times (Bellizzi & Hite, 2022). The overall theme of colors in a store sets the mood and reinforces brand identity, helping retailers create a cohesive and appealing atmosphere that aligns with their target audience's preferences (Labrecque & Milne, 2012). Additionally, labels play a crucial role in guiding customer decisions by providing essential product information, pricing, and promotional details, which enhance transparency and influence purchase intent (Silayoi & Speece, 2020).

Differentiating prices, labeling products, and value distinction are key pricing and merchandising strategies that influence consumer purchasing decisions. Differentiating prices involves setting varied price points for products based on factors such as brand positioning, quality, and market demand, allowing retailers to appeal to diverse customer segments (Nagle & Müller, 2021). Labeling products plays a crucial role in providing consumers with necessary information, such as product specifications, pricing, and promotional details, which enhance transparency and trust (Silayoi & Speece, 2020). Additionally, value distinction helps customers perceive the benefits of a product relative to its price, reinforcing the notion of affordability or exclusivity depending on the pricing strategy used (Monroe, 2023).

A supermarket's position, product placement, and distribution networks for products are crucial factors that influence retail success and consumer purchasing behavior. A supermarket's position, referring to its location and market positioning, plays a key role in attracting customers, with high-traffic and accessible areas leading to increased footfall and sales

(Reardon & Gulati, 2019). Product placement within the store is equally important, as strategically positioning items—such as placing essentials at the back and impulse products near checkout—can encourage unplanned purchases and maximize profitability (Sorensen, 2020). Additionally, an efficient distribution network ensures that products are consistently available, reducing stockouts and enhancing customer satisfaction by maintaining a smooth supply chain (Christopher, 2019).

The choice of placement of products, store lighting, product differentiation, and product access as variables influencing sales performance is justified because each directly affects customer behavior and purchasing decisions. Strategic product placement increases visibility and encourages impulse buying, while effective store lighting enhances the appeal of products, creates an inviting atmosphere, and extends customer browsing time, all of which drive higher sales. Product differentiation is critical for standing out in a competitive market, allowing businesses to justify premium pricing and build brand loyalty. Additionally, ensuring easy access to products reduces customer frustration, speeds up purchasing decisions, and boosts overall conversion rates. Together, these variables shape the shopping experience in ways that significantly impact sales performance, making them essential areas of focus for any successful retail strategy

1.1.2 Sales Performance

Sales performance refers to the measurement of how effectively a company's sales activities achieve desired objectives, such as revenue generation, market share growth, or customer acquisition. It involves evaluating factors like sales volume, customer retention, profitability, and the efficiency of the sales process. According to Cravens, Ingram, LaForge, and Young (2022), sales performance encompasses both the outcomes (such as meeting sales quotas) and the behaviors (like building customer relationships) that contribute to long-term business success.

Sales performance is conceptualized as the degree to which sales activities lead to the achievement of both short-term and long-term business objectives, combining efficiency and effectiveness in generating sales outcomes (Churchill, Ford, Hartley, & Walker, 2020). It captures both the current level of success and the potential for future growth. One way to operationalize sales performance is through Sales Volume, which measures the total number of units sold within a specific timeframe. This metric provides a direct indication of a

company's ability to convert market opportunities into tangible results (Johnston & Marshall, 2019).

Another important operational measure is the Sales Growth Rate, which reflects the percentage increase in sales over a given period and signals the company's market expansion and competitiveness over time (Ingram, LaForge, Avila, Schwepker, & Williams, 2021). These indicators together offer a robust framework for evaluating sales performance by assessing both the magnitude of current achievements and the trajectory of sales progress, ensuring a balanced view of both static and dynamic aspects of sales success.

1.1.3 Supermarkets in Kenya

Supermarkets in Nairobi County, Kenya, play a significant role in the retail sector by providing a wide range of consumer goods, including groceries, electronics, clothing, and household items. As the country's capital and economic hub, Nairobi has a highly competitive supermarket industry, with both local and international players operating within its urban and suburban areas. The growth of supermarkets in Nairobi has been driven by factors such as increasing urbanization, rising disposable income, and changing consumer preferences that favor modern retail formats over traditional markets.

Supermarkets in Nairobi can be categorized based on their market positioning, scale of operations, and target consumer base, with players ranging from large multinational chains to small independent retailers. Large supermarket chains, such as Carrefour, Naivas, and Quickmart, dominate the market with multiple branches across the city, offering a wide variety of products, competitive pricing, and strong supply chain networks (KNBS, 2021). Mid-sized supermarkets, including Cleanshelf and Eastmatt, cater to regional markets and urban consumers, maintaining a balance between affordability and product variety. Independent and neighborhood supermarkets, such as Magunas and small family-owned outlets, focus on convenience and personalized services, primarily serving local communities (Wanjiku, 2020). Lastly, discount and wholesale supermarkets, like Khetia's and Kamindi Selfridges, specialize in bulk sales and lower prices, attracting cost-conscious shoppers and small business owners (Ndungu, 2019).

The regulation of the supermarket sector in Nairobi is governed by various legal frameworks and regulatory bodies to ensure fair competition, consumer protection, and compliance with

trade laws. The Competition Authority of Kenya (CAK) oversees market practices to prevent monopolistic behaviors and ensure fair pricing among retailers (CAK, 2021). Consumer rights and product quality are safeguarded under the Consumer Protection Act (2012) and enforced by the Kenya Bureau of Standards (KEBS), which sets quality and labeling standards for products sold in supermarkets (KEBS, 2020). Supermarkets must also comply with taxation policies established by the Kenya Revenue Authority (KRA), including Value Added Tax (VAT) and corporate tax regulations (KRA, 2019). Additionally, labor laws under the Employment Act ensure fair wages and working conditions for supermarket employees (Republic of Kenya, 2007). Food safety and hygiene regulations, managed by the Public Health Act and the Agriculture and Food Authority (AFA), dictate handling and distribution standards for perishable goods (AFA, 2021).

A supermarket is a self-service retail outlet that provides a diverse array of comestibles and household necessities, organized into distinct divisions. Supermarkets typically exceed conventional grocery stores in terms of dimensions and product assortment, while falling short of hypermarkets in terms of overall product breadth (Zeithaml et al., 2022). These stores often sell products at low prices by operating on slimmer profit margins. Some items which include basic foods like bread, milk, and sugar, meaning they are sold at a loss to attract customers.

Supermarkets have played a key role in transforming food retailing, particularly in urban areas, and have expanded their market reach beyond their original niche. Supermarkets have successfully penetrated the consumer markets of lower-income demographics, expanding their customer base (Kiumbura, 2020). While initially concentrating on processed and staple food items, supermarkets have gradually expanded their offerings to encompass fresh produce. The transformation of their procurement strategies presents both potential advantages and obstacles for smaller agricultural producers, while also having broader consequences for the diversification of agricultural production and rural development policies (Neven, 2021).

In the competitive Kenyan retail landscape, supermarkets have implemented distinct brand differentiation strategies to gain a competitive edge. To achieve this, numerous supermarkets have introduced loyalty programs, embraced 24-hour shopping concepts, and established price consistency across their various locations. This strategic shift has transitioned from a narrow concentrate on specific kinds of products and in-store operations. Instead, supermarkets are increasingly aligning their marketing endeavors towards a more comprehensive and integrated customer experience, encompassing multiple product categories across diverse customer

touchpoints, including social media platforms (Briesch et al., 2019). This approach aims to cultivate a more seamless and enjoyable shopping experience for consumers while enhancing brand visibility and fostering customer loyalty.

1.2 Statement of the Problem

As competition among retailers intensifies, distinguishing their offerings from the rest of the market has become increasingly difficult. Retailers have implemented a variety of tactics to achieve a competitive advantage, with store layout, store ambiance, and sales promotions emerging as prominent strategies (Dash & Akshaya, 2022). These tactics are strategically designed to enhance the overall shopping experience, attract a larger customer base, and ultimately stimulate sales growth by establishing a unique and recognizable brand identity for each store.

Kenya's supermarket sector has faced numerous challenges in recent years, with many supermarket chains struggling to maintain their presence in the market. The number of supermarket branches in the country has dwindled significantly, dropping from 314 to just 189. Some of the largest chains, such as Nakumatt, Tuskys, and Uchumi, have experienced the most significant losses (Cytonn, 2020). A combination of factors, including increased competition, mismanagement, and poor merchandising decisions, has been cited as key contributors to the downturn. However, current market leaders like Naivas and Quickmart have capitalized on the weaknesses of these fallen giants and expanded their reach. Despite the challenges, the closure of numerous outlets has left a gap in the market, presenting an opportunity for other retailers to exploit by improving their merchandising strategies, (Kenya National Bureau of Statistics, 2023)

Sales performance in the supermarket sector remains a significant challenge both globally and locally. In Kenya, many supermarkets are grappling with declining sales. KNBS (2022) highlighted the struggles in the sector, noting a marked decline in sales during the 2022/2023 financial year. Sales dropped to 1.3 billion shillings, which was less than half of the previous year's figure, further underscoring the difficulties supermarkets face in maintaining strong sales performance (KNBS, 2022). These challenges emphasize the importance of effective merchandising strategies and efficient management practices in navigating a competitive and changing retail landscape.

However, despite having great significance in the Kenyan economy, there is a significant gap between expectations and the reality on the ground in terms of optimizing visual merchandising and store layouts to enhance the experience of the customers and ultimately increase sales (Christopher, 2021). In the international realm, effective visual merchandising and creative store layout arrangements have been employed to increase customer engagement, sales, and brand loyalty. The expectation is, Kenyan supermarkets such as those in bigger urban cities such as Nairobi, would employ the same strategies to increase customer engagement, sales, and boost brand loyalty (Muturi, 2020). Many of the local supermarkets either fail to utilize implement or underutilize these strategies due to reasons such as operational challenges, financial constraints, or lack of proper knowledge of such practices.

This research is also motivated by identified knowledge gaps in previous studies. For instance, González-Benito, Martos-Partal & de Salamanca (2023), Examined the role of Placement of Products and product category on the relationship between store brand consumption and store loyalty. The researchers studied ten (10) retail store chains in Spain. The study was conducted in in Spain while the current study will be done in Kenya hence contextual gap. Wawira (2021), Examined the influence of product access on the sales performance. The study was based on 30 hotels as the target population derived from Tourism Regulatory Authority. Explanatory research designs were employed and structured questionnaires were used for the purposes of data collection. The current study will use descriptive research design hence methodological gap. Therefore, this study aimed to investigate the influence of store layout on sales performance within the competitive supermarket landscape of Nairobi County, Kenya.

1.3 Research Objective

The study's primary goal was to ascertain the effect of store layout on sales performance among supermarkets in Nairobi County, Kenya

1.3.1 Specific Objectives

The specific objectives of the study were as follows:

- i. To determine the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya
- ii. To determine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya

- iii. To determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya
- iv. To determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya

1.4 Research Questions

The study aimed to answer the following research questions;

- i. What is the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya?
- ii. What is the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya?
- iii. What is the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya?
- iv. What is the effect of product access on sales performance among supermarkets in Nairobi County, Kenya?

1.5 Significance of the Study

The findings of the research will help the following stakeholders:

1.5.1 Government

The outcomes of this study will provide valuable knowledge that can inform and support government policy development. Policymakers can use the results to formulate strategies that enhance sales performance and promote the growth of the retail industry. Additionally, the government will gain a deeper understanding of the retail sector's challenges, which may inform solutions for addressing key issues impacting the industry. This could lead to the creation of a more supportive environment for retail businesses, including the development of policies that encourage product marketing, financial support, and innovation within the sector.

1.5.2 Investors

The study's finding will be crucial for investors in the retail industry as a guide to understand consumer behavior and merchandising tactics that boost supermarket sales growth. To improve the decision-making process and provide guidance on the requirements for starting a firm, this is essential.

1.5.3 Retailers

This research will also offer valuable insights into areas where retailers, specifically those operating within the apparel industry, require improvement. The findings of this study will be advantageous for retailers, as they will gain a deeper understanding of the diverse elements of visual merchandising and store ambiance that influence impulsive purchasing behavior. By gaining a clearer picture of these factors, retailers can develop more effective marketing strategies that directly impact consumer behavior, ultimately driving higher sales.

1.5.4 Future Researchers

The outcomes will significantly add to the body of current knowledge, the study's findings will be extremely beneficial to scholars, concerning the relationship between store layout and sales performance. These findings will serve as a benchmark for upcoming studies endeavors within this field, facilitating a deeper understanding and providing a foundation for further exploration. Moreover, this study will enhance our ability to comprehend the impact of visual merchandising and store layout on sales performance, specifically within the context of the supermarket sector in Nairobi County, Kenya. By identifying areas that require further research, the study will encourage more in-depth investigations into these critical aspects of the retail industry. The insights gained will further contribute to the development of a better understanding of how good visual merchandising and store layout practices can effectively influence the retail industry for the betterment of the industry's overall performance and competitiveness.

1.6 Scope of the Study

The study aimed to ascertain the effect of store layout on sales performance among supermarkets within Nairobi County, Kenya. The study specifically focuses on examining the effect of various factors such as the placement of products, store lighting, product differentiation, and product access on sales performance among supermarkets in Nairobi County, Kenya. The geographical location was chosen due to its position as the main commercial hub, and the biggest urban center. Apart from that, Nairobi has a diverse range of supermarket chains including the local chains (Naivas, and Quickmart), and the international chains such as Carrefour (Wanjohi, 2023). Additionally, the city has a diverse consumer base, a dynamic and growing middle class, as well as an advanced retail structure, thus making it suitable for the study.

Nairobi also provides a very competitive retail environment where supermarkets must continue to innovate and come up with new ideas compared to other towns and rural centers where the retail sector is dominated with smaller shops and open markets (Wekesa, 2022). On top of that, the city is undergoing rapid urbanization and increase in population which poses great challenges to the supermarkets such as provision of proper spacing, high cost of operation, and taking care of a consumer base with varying income levels. Such challenges make Nairobi the most suitable location for understanding how the layout of a store and visual merchandising strategies can be channeled to improve customer experience and increase sales

Descriptive research design was employed to gather insights into how these elements influence consumer behavior and sales outcomes. A questionnaire with structured questions was used to gather primary data, and 134 participants were included in the sample. Target population includes 202 individuals, including managers, supervisors, and staff from well-known supermarkets in the area such as Carrefour, Naivas, Chandarana Foodplus, and Quickmart. The research took place between September 2024 and April 2025, allowing ample time for data collection and analysis.

1.7 Chapter Summary

This chapter reviews the literature to provide the study's backdrop from across the globe, region and local to clearly outline the problem that the study sought to investigate. In addition, the objectives of the study and the questions that was answered have been outlined. Further the significance to the various stakeholders; the government, investors, retailers and future researcher, and finally the scope of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter is a review of both theoretical review of Gestalt theory and Goal-Setting Theory and empirical literature concerning how store layouts influence sales performances among supermarkets within Nairobi County, Kenya, with specific interest in product placement, store lighting, product differentiation, and product access. An overview of the literature and the gaps, including the conceptual framework, was also be discussed.

2.2 Theoretical review

This section reviewed the theories which includes; Gestalt theory and Goal-Setting Theory

2.2.1 Gestalt theory

Gestalt theory, which first appeared in the early 1800s, emphasizes the holistic aspect of perception and is a distinctive viewpoint in psychology. Max Wertheimer, Wolfgang Köhler, and Kurt Koffka were among the group of German psychologists that created it (Wertheimer, 1923; Köhler, 1929; Koffka, 1935). By dissecting events into their most basic elements, it questions the conventional atomistic approach. Gestalt, on the other hand, contends that humans view the world as cohesive wholes in which meaning is derived from the whole arrangement rather than just its component elements. Gestalt theory, sometimes referred to as configurations or gestaltism, is a branch of psychology that stresses a comprehensive view of the world. It suggests that rather than viewing things and experiences as the sum of their components, the human brain views them as cohesive wholes.

A structure, arrangement, or layout that has unique characteristics that are more cohesive and superior to the mere sum of its constituent parts is referred to as gestalt. Gestalt principles are frequently applied in data visualization, graphic design, and user interface design. Koborov (2015) Max Wertheimer, a psychologist from the Czech Republic, published "Experiment Elle Studien über das Sehen von Bewegung" ("Experimental Studies on Movement Perception") in 1912, which marked the beginning of the Gestalt school. Wertheimer presented the results of a study on apparent movement conducted in Frankfurt, Germany, by psychologists Kurt Koffka and Wolfgang Köhler. These three formed the Gestalt school's core for the next few decades (Gestalt Psychology, 2016).

Gestalt theory was first developed in psychology, but according to Graham (2008), it has influenced scholars in a variety of disciplines, such as linguistics, musicology, instructional design, human-computer interface, architecture, healthcare design, sustainable design, and visual and artistic communication. Visual artists and designers were interested in Gestalt laws of vision because they provided a scientific explanation of human perception and our propensity to "group" objects.

Gestalt principles are focused with perception as a subfield of psychology. This is also the main goal of graphic design. The process of organizing messages to visually convey a story is known as graphic design. Gestalt principles are a great way to understand how images and messages are created, and they are widely used in Visual Merchandising and Store Layout. A message can be structured in a variety of ways, and the Gestalt principles offer suggestions and clues about how it could be unique while also highlighting the similarities amongst eye manipulation tactics, (Zeithaml et al., 2022).

Gestalt theory states that changes in timing, spacing, and layout can significantly affect how information is interpreted. Gestalt visual principles are extremely effective despite being easy to understand (Graham, 2008). As demonstrated by Zakia (1997), disregarding Gestalt visual theory can result in unexpected reader perceptions and impede clear communication. In several academic disciplines, such as information design, graphic design, and painting, the Gestalt principles have been applied as the main theoretical foundation. Furthermore, in an attempt to improve the process of visual perception, the Gestalt principles have been the focus of several analyses and research efforts since its beginnings in the 19th century. Stronger theoretical and experimental frameworks (like cognitive science) have been developed since the 1960s and 1970s as a direct result of this work, and they have dominated this field of study ever since (Wagemans et al., 2012).

Because Gestalt theory's principles of perceptual organization are frequently descriptive rather than explanatory and challenging to test empirically, it has been criticized for lacking scientific rigor (King & Wertheimer, 2005). According to critics, the theory ignores the influence of experience and learning on perception in favor of an overemphasis on innate mechanisms (Rock, 1990). Gestalt explanations were rejected by behaviorists like B.F. Skinner because they did not take into consideration how conditioning and reinforcement function in cognitive

processes. Furthermore, rather than comprehensive principles, cognitive psychologists and neuroscientists argue that perception is the product of intricate neuronal processing (Palmer, 1999). According to Nisbett and Miyamoto (2005), the theory has also been attacked for its limited relevance to complex cognition, including memory and problem-solving, as well as its disregard for individual and cultural differences in perception. Gestalt theory is nevertheless widely used in cognitive science, psychology, and design in spite of these objections.

Gestalt theory sheds light on how customers process and arrange visual information, making it extremely pertinent to visual merchandising and retail design. Gestalt concepts like proximity, similarity, closure, continuity, and figure-ground are used by retailers to build intuitive and captivating stores that improve customer satisfaction and increase sales. Gestalt concepts can be used by retailers to develop strategically placed and visually appealing store layouts that improve product exposure, facilitate customer navigation, and ultimately boost sales, (Martos-Partal & de Salamanca 2023)

2.2.2 Goal-Setting Theory

Goal-Setting Theory, developed by Locke and Latham (1990), posits that setting specific, challenging goals leads to higher levels of performance. The theory is based on the idea that goals provide direction and motivation, which in turn improve focus and effort. In a sales context, this theory suggests that when salespeople are given clear, measurable, and challenging goals, they are more likely to perform at higher levels. This happens because specific goals direct attention and effort toward achieving the desired outcome, making sales activities more purposeful and structured. Moreover, goals that are challenging, yet attainable, tend to increase motivation and persistence, pushing salespeople to exceed their limits and achieve higher performance levels, (Smith, 2022)

In the context of sales performance, Goal-Setting Theory is especially relevant. Sales targets, such as monthly quotas or revenue goals, can directly influence sales volume and sales growth rate. By setting ambitious goals, sales organizations can drive their teams to strive for continuous improvement. Research supports this idea, with Locke and Latham (2002) confirming that specific, challenging goals lead to better outcomes than vague or easy ones. Salespeople working with clear targets are more focused, efficient, and motivated to reach their objectives, resulting in higher sales performance and better market positioning, (Briesch et al., 2019)

Moreover, the theory emphasizes the importance of commitment to the goals. Salespeople who are invested in their goals are more likely to exert the necessary effort to achieve them, thereby improving their sales outcomes. Schwenker (1999) found that salespeople who were engaged in goal-setting activities were more likely to achieve higher sales targets, as they had both the motivation and the clear objectives required to guide their actions. In addition, feedback plays a crucial role in goal-setting, as it allows salespeople to track their progress and adjust strategies if needed. Regular feedback not only helps improve performance but also ensures that the salespeople stay on course to meet or exceed their goals.

Overall, Goal-Setting Theory has been shown to have a significant impact on sales performance. Sales organizations that implement goal-setting practices by setting clear, challenging goals, providing regular feedback, and ensuring commitment tend to see improved performance in terms of sales volume, sales growth rate, and even customer satisfaction. The alignment of individual sales goals with organizational objectives ensures that salespeople remain motivated and focused, driving both short-term and long-term success, (Baker & Grewal, 2019).

2.3 Empirical Review

This part reviewing empirical research on the study's variables is therefore going to be part of this section.

2.3.1 Placement of Products and Sales Performance

Product Placement refers to the strategic positioning and arrangement of products within a retail space, both in physical stores and online, to maximize visibility, accessibility, and sales. Conceptually, it involves understanding consumer behavior, spatial dynamics, and marketing objectives, and arranging products in a way that influences purchase decisions. According to Levy and Weitz (2012), effective product placement is essential in ensuring that consumers are exposed to the right products at the right time, with the ultimate goal of driving sales. The placement of products is guided by principles such as eye-level positioning, where high-demand items are placed at eye level to maximize visibility, and the use of category management, where related products are grouped together to encourage complementary purchases.

Product placement within a store significantly affects customer purchasing decisions. Research by Chandon et al. (2019) highlights that eye-level placement increases product visibility and

sales. Additionally, end-cap displays and checkout counter placements drive impulse purchases (Cohen & Babey, 2022). Properly organized product categories enhance convenience and encourage unplanned purchases (Hui et al., 2023).

González-Benito et al. (2023) analyzed the role of product placement and product category on the connection between shop loyalty and brand consumption in Spain. In this study conducted on ten retail store chains, the authors found that there is a positive relationship between private-label consumption and store loyalty. This research further presented significant differences in how product placement and category influenced the in-store private-label consumption-store loyalty relationship. The study specifically underlined that, among so-called "risky" product categories, store brand share is the one having more significant relation to the store loyalty phenomenon, meaning consumers would be considerably more loyal in the presence of private-label products purchased in product categories perceived with greater risk.

Shivashankar and Uma (2020) explored how brand positioning affects customer perceptions of apparel brands in Bangalore. Their study focused on three jeans brands (Wrangler, Lee, and Levi Strauss) examining customer perceptions related to attributes, durability, quality, benefits, price, image, and aesthetic value. Using a structured questionnaire administered to 40 consumers, the study found that Lee ranked highest, followed by Levi Strauss and Wrangler, based on the consumers' evaluations of these factors. The findings suggest that brand positioning plays a significant role in enhancing sales performance, with Lee benefiting from a stronger overall perception in terms of product attributes and brand image.

Kamau and Wafula (2019), researched the impact of product positioning on service delivery and customer satisfaction. In conducting this research work at Fina Bank, Mombasa, Kenya, they employed several instruments, qualitative and quantitative, in collecting data through a sample population of 67 customers and staff. Several products positioning strategies have increased customer satisfaction - technological improvement and product categorization, segregation of customers, and beneficiary of brand. This research underscores the importance of strategic product positioning in shaping customer perceptions and satisfaction, which ultimately contributes to overall business performance.

These studies collectively highlight the importance of product placement, brand positioning, and strategic product categorization in driving consumer loyalty, satisfaction, and sales performance. The evidence supports the idea that effectively positioning products and brands, whether through in-store placement, brand image, or product attributes, can significantly influence customer behavior and business outcomes.

2.3.2 Store Lighting and Sales Performance

Store lighting refers to the deliberate use of artificial or natural light to enhance the shopping environment, influence customer perception, and drive sales. It plays a critical role in visual merchandising by highlighting products, creating ambiance, and guiding customer movement within the store (Van Cleempoel, 2022). Effective store lighting can evoke emotions, improve product visibility, and enhance the overall shopping experience, ultimately impacting consumer behavior and purchase decisions (Quartier, Vanrie, 2020).

Store lighting plays a crucial role in creating an appealing shopping atmosphere. Studies indicate that warm lighting enhances emotional engagement and encourages prolonged store visits, while bright lighting improves product visibility and decision-making (Custers et al., 2019). Furthermore, strategic lighting can highlight premium products and create focal points to attract consumer attention (Quartier et al., 2020).

Store lighting is a critical aspect of retail environment design that plays a pivotal role in influencing consumer behavior, mood, and purchasing decisions. Conceptually, store lighting refers to the strategic use of artificial light to enhance the visibility, appeal, and ambiance of a retail space, with the goal of creating a welcoming environment that encourages consumer engagement and maximizes sales. Kotler (2020) highlighted the psychological impact of lighting in retail settings, emphasizing that well-designed lighting can evoke positive emotional responses, guide customer attention to specific products, and enhance the overall shopping experience. For example, spotlighting high-demand or promotional products can draw attention and prompt purchases, while ambient lighting creates a comfortable and inviting atmosphere that encourages customers to spend more time in the store.

Aspfors (2020) emphasizes the critical role of appropriate lighting in retail environments. His research suggests that stores with brighter lighting attract more attention than those with dimmer lights. The rationale behind this is that bright lighting enables consumers to easily identify desired products, even allowing them to examine details such as ingredients or product

labels more clearly. As lighting significantly impacts a consumer's ability to make informed purchasing decisions, it plays a vital role in the overall shopping experience.

Olson (2021) identifies the psychological concepts of the merchandising variables involving light and colour on consumers. According to Olson, stores painted in red or yellow tend to be perceived as unappealing, which could negatively affect consumer experience and sales. This indicates that store aesthetics, especially color schemes and lighting, play a substantial role in shaping customers' perceptions and purchase intentions.

Babin et al. (2023) further build on the concept by exploring the combined effects of color, lighting, and background music on consumer purchasing behavior. Their study demonstrates that these visual merchandising components influence consumer perceptions and emotional responses. Specifically, the combination of colors and lighting affects cognitive processing and human resource performance, which can lead to desired consumer reactions, such as increased attention and a higher likelihood of making a purchase. Fiore et al. (2020) look into the appeal relating to store atmospheric perceptions like smell or fragrance. These sensory elements, alongside visual aspects like color and lighting, are shown to significantly impact consumers' emotional states, which can further influence purchasing decisions.

But, in his study on store lighting and sales volume for dairy products at Parmalat Limited, Mwale and Phiri (2020) provided a different view. Their studies which using a descriptive approach did not establish statistical correlation between lighting of stores and sales returns. This suggests that while lighting is an essential aspect of store design, it may not always translate into immediate sales improvements, implying that other factors could play a more substantial role in influencing consumer purchases.

Nyagba & Tsetim (2022) studied that store lighting is a pivotal retail strategy aimed at enhancing product aesthetics to drive sales while also contributing to the overall brand identity and culture. Author investigated impact of store lighting on consumer buying behavior within retail stores. Key elements of success that are identified include window displays, lighting, and signage. It is found that buying behavior of consumer is significantly impacted by window displays, lighting, and signage. These elements act as potent stimuli for purchases in retail settings. When effectively combined, they not only showcase the brand but also enrich the experience of customer, fostering an encouraging shopping environment. Retailers are advised to comprehend shopper expectations and tailor their displays accordingly to attract customers. Additionally, retailers must ensure that lighting complements interior of store increase

purchases. Furthermore, retailers are encouraged to assess various forms of signage and prioritize the most effective ones for maximum impact.

2.3.3 Product Differentiation and Sales Performance

Product differentiation is the process of distinguishing a product or service from competitors by emphasizing unique features, benefits, or branding elements that appeal to target consumers. It can be achieved through various factors such as quality, design, pricing, customer service, and technological innovation (Kotler & Keller, 2016). Effective product differentiation helps businesses create a competitive advantage, enhance brand loyalty, and justify premium pricing by offering superior value to customers (Porter, 2021).

Product differentiation is essential in competitive markets. Kotler & Keller (2019) emphasize that unique features, branding, and packaging influence consumer preferences. Research also suggests that clear differentiation through quality, innovation, or sustainability appeals to specific market segments and enhances brand loyalty (Carpenter & Nakamoto, 2021). Additionally, price differentiation strategies can impact consumer perception of value and influence purchasing behavior (Monroe & Krishnan, 2020).

Product differentiation is a strategic marketing concept that refers to the process of distinguishing a product or service from others in the market to make it more attractive to a specific target audience. Conceptually, it involves creating distinct features, qualities, or branding elements that set a product apart from competitors, thereby adding perceived value and reducing price sensitivity. Porter (1985) defines product differentiation as one of the key competitive strategies, where a firm seeks to offer unique products that are valued by consumers, allowing the company to command higher prices and build brand loyalty. This differentiation can be achieved through various dimensions such as product quality, features, design, customer service, or innovation

Adefulu, 2020, went ahead to perform an analysis, the influence and effects which are placed by a product differentiation into the organizational performances of a company based upon the market-share and profitability features. This examination targets the companies of Cola-Cola, 7up within Nigeria's Lagos, using a cross-sectional survey design method applicable to this very case while analyzing data statistically with ANOVA. This underlines the role of strategic marketing initiatives like product differentiation in achieving competitive advantage and improving firm performance.

The work of Diris, Iyiola, and Ibidunni assessed the role of product differentiation in competitive strategy on organizational performance using Unilever Nigeria Plc. The sample size used in the study was 323 customers, and the study looked at how product differentiation influences firm performance, especially in the manufacturing sector. The results showed a positive and significant effect of product differentiation on organizational performance, underpinning the fact that firms adopting differentiation strategies are able to realize competitive advantage, consequently improve their performance outcomes. This further reiterates that one of the key aspects for firms to remain competitive in dynamic markets is product differentiation.

Ndumbaro, in (2023), conducted research examining how sales performance in the banking industry is affected by product differentiation. In this regard, a mixed quantitative and qualitative explanatory research design technique was used. This focused on 30 banks, each with a total of 2500 employees. Out of these 30 banks, 24 banks with a total of 250 respondents have been selected for analysis in this work. Data were collected through questionnaires, interviews, and observation, with Chi-Square analysis employed to examine the relationships. The results showed a strong correlation with sales success and product distinction in terms of price, value, and safety features. The Chi-Square value of 5.325 (2 degrees of freedom, p -value < 0.05) supports the notion that product differentiation significantly impacts sales performance, particularly in sectors like banking where service features play a pivotal role in customer decision-making.

Kamau's (2023) study in the retail market focused on supermarkets that sell products from various manufacturers and distributors. While the research provided valuable insights into the retail market, it lacked specific details on how the supermarkets were stratified and sampled, which is important given the diversity in size and the range of products offered by different supermarkets. Despite this limitation, the study utilized Sameer Africa (K) Limited as the study area, offering a focused analysis of one particular supermarket, though it could have benefited from a more comprehensive sampling strategy to account for the varied types of supermarkets in the region.

In the study by Atikiya, Elegwa, and Waiganjo (2021) proposed to investigate the effects of competitive strategies on performance of manufacturing firms in Kenyan markets, with special focus on the differentiation strategy. Data was collected using a survey research design, which included both quantitative as well as qualitative research instruments. Sample size for the study

was determined by using recommended formula by Kothari (2011), and after applying this formula, manufacturing firms of 189 were chosen for intensive study. Questionnaires adopted from prior research were used to gather data and Pearson's product moment correlation used to relate competitive strategies and firm performance. Furthermore, the multiple linear regression was considered to determine the degree to which focus, distinctions, and cost leadership tactics (predictors) could predict variations in the firm performance (criterion). The outcomes derived from this research provide an implication of competitive strategies in enhancing the performance of organisations especially when operating in the manufacturing domain.

Both studies emphasize the significance of strategic approaches (whether it is retail differentiation or competitive strategies in manufacturing) in driving organizational success. While Kamau's study sheds light on the retail sector's complexities, Atikiya et al.'s research provides a robust quantitative analysis of the impact of various competitive strategies on manufacturing firm performance. Both studies contribute to the understanding of how strategic decisions influence business outcomes.

2.3.4 Product Access and Sales Performance

Product access refers to the ease and convenience with which consumers can obtain a product or service, influenced by factors such as distribution channels, availability, pricing, and logistical efficiency. It plays a critical role in consumer purchasing decisions, as greater accessibility enhances customer satisfaction and market reach (Rosenbloom, 2021). Product access refers to the ease and convenience with which consumers can obtain a product or service.

Conceptually, it encompasses various factors that determine the availability, distribution, and purchase process for customers, ensuring that products are accessible in terms of location, channels, and timing. Keller (2020) explain that product access is a key component of the marketing mix, influencing customer satisfaction and purchase decisions. The goal is to make products readily available through channels that match consumer preferences and behaviors, which may include physical stores, online platforms, or through third-party intermediaries.

Syeda et al. (2022) investigated the influence of product accessibility on the efficacy of sales promotion strategies within two distinct market sectors in Pakistan: the soft drink industry (Shezan International Ltd) and the foam industry (Production of Polystyrene Foam). Survey sample selected 200 consumers and combined quantitative tools of financial analysis with the survey to measure brand loyalty. Using time series models and Ordinary Least Squares (OLS)

estimation, the researchers analyzed the relationship between the perception of promotions and brand loyalty. The results indicated that various extraneous factors influenced the effectiveness of sales promotions. These findings highlight the complexity of product access and sales promotions, suggesting that beyond the direct effects of promotion, there are several external variables that affect consumer behavior and brand loyalty.

The study of choice for the current paper is Ntale (2016), which analyzed newspaper accessibility and sales in Uganda. The study surveyed 226 respondents using a structured questionnaire to measure factors related to product accessibility, such as the availability of newspapers, their location relative to other publications, and how they are treated by dealers and agents. The responses were assessed using a five-point Likert scale, revealing that factors like diverse ways of accessing newspapers and proximity to other newspapers scored highly, with mean scores of 4.3 for accessibility and location, and 4.1 for dealer treatment and ease of purchase. Through regression analysis, Ntale found that product accessibility contributed to 10.9% of the variance in sales performance, as indicated by an R-squared value of 0.109. This study suggests that enhancing product accessibility can positively influence sales performance, but other factors may also play a significant role in the overall performance.

Access to products which can be acquired by the organization's hotels was also found to impact its sales performance; the findings of this study are highlighted in Wawira (2021). The study included 30 hotel establishments selected through a list from the Tourism Regulatory Authority, and used an explanatory research design. The participants' perception of different product access attributes was measured using structured questionnaires with Likert scale of 1-5. The cross-tabulation results indicated that several PA attributes influenced the sales performance of the hotels, these included: The visibility of the hotel to specific target market with a mean score of 4.00; A wide product offer with mean score of 3.50; The development of appealing products for the hotels with a mean 3.67 and a mean score of 3.52 for the hotels' appropriate placement. With a correlation coefficient of 0.334 and a p-value of 0.096, the correlational study demonstrated a favorable relationship between product access and performance. Despite this positive correlation, the results were not statistically significant, suggesting that while product access may influence sales performance, other factors could be at play that need further exploration.

Gituma (2019), investigated how commodity availability affected Unga Feed Limited's operations. The study targeted 127 middle-level managers and used a descriptive research

design, with structured questionnaires based on a five-point Likert scale. The results highlighted several product access factors that influenced operational performance, including distribution channels (mean of 4.59), the impact of distribution systems depend on the following factors: the store's position in relation to customers (mean of 4.13), proximity to stores offering comparable commodities (mean of 4.33), and product availability (mean of 4.70). These findings suggest that strategic product access, such as optimizing distribution channels and ensuring store locations align with customer needs and market competition, can positively impact operational performance.

2.4 Summary of Research Gaps

Table 2.1: Summary of Literature and Research Gaps

Author	Title	Major Findings (Summary)	Knowledge Gaps
Diris, Iyiola and Ibidunni (2022),	Examined product differentiation as a tool of competitive advantage on optimal organizational performance, focusing on Uniliver, Nigeria Plc. The study was to examine the influence of product differentiation as a tool of competitive strategy on firm performance.	The results indicated that product differentiation as a tool for competitive advantage as positive and significant influence on organizational performance of manufacturing companies.	The dependent variable for this study was optimal organizational performance while the current study will be sales performance hence conceptual gap.
González-Benito, Martos-Partal & de Salamanc a (2023)	Examined the role of Placement of Products and product category on the relationship between store brand consumption and store loyalty. The researchers studied ten (10) retail store chains in Spain.	The study however concluded that there is significant relationship between store brand share and store loyalty is more favorable for risky product categories.	The study was conducted in in Spain while the current study will be done in Kenya hence contextual gap.

Wawira (2021)	Examined the influence of product access on the sales performance. The study was based on 30 hotels as the target population derived from Tourism Regulatory Authority.	explanatory research designs were employed. Structured questionnaires were used for the purposes of data collection. The study found that product access attributes influenced performance as follows; making hotel visible to niche market (mean of 4.0), and offering of broad product line (mean of 3.5)	The study employed explanatory research design while the current study will use descriptive research design hence methodological gap.
Syeda et al. (2022)	Investigated the influence of product accessibility on the efficacy of sales promotion strategies within two distinct market sectors in Pakistan: the soft drink industry (Shezan International Ltd) and the foam industry (Production of Polystyrene Foam).	Their results reveal the presence of various extraneous factors impacting the effectiveness of promotions.	The study was conducted distinct market sectors in Pakistan hence contextual gap
Shivashankar and Uma (2020)	explored how brand positioning affects customer perceptions of apparel brands in Bangalore.	The findings suggest that brand positioning plays a significant role in enhancing sales performance, with Lee benefiting from a stronger overall perception in terms of product attributes and brand image.	The study was conducted in Bangalore. hence contextual gap
Kamau and Wafula (2019),	researched the impact of product positioning on service delivery and customer satisfaction. In conducting this research work at Fina Bank, Mombasa, Kenya,	they employed several instruments, qualitative and quantitative, in collecting data through a sample population of 67 customers and staff.	The study employed qualitative and quantitative hence methodological gap.
Babin et al. (2023)	exploring the combined effects of color, lighting, and background music on consumer purchasing behavior.	Their study demonstrates that these visual merchandising components influenced consumer perceptions and emotional responses	The dependent variable for this study was consumer purchasing behavior hence conceptual gap.
Adefulu, 2020,	the influence and effects which are placed by a product differentiation into the organizational performances of a company based upon the market-share and profitability features, using a cross-sectional survey design method.	This underlines the role of strategic marketing initiatives like product differentiation in achieving competitive advantage and improving firm performance.	The study employed sectional survey design method hence methodological gap.

Gituma (2019)	investigated how commodity availability affected Unga Feed Limited's operations.	The results highlighted several product access factors that influenced operational performance, including distribution channels (mean of 4.59)	The dependent variable for this study was operational performance hence conceptual gap.
Kotler (2020)	highlighted the psychological impact of lighting in retail settings, emphasizing that well-designed lighting can evoke positive emotional responses, guide customer attention to specific products, and enhance the overall shopping experience.	ambient lighting creates a comfortable and inviting atmosphere that encourages customers to spend more time in the store.	The study focused on psychological impact of lighting in retail settings hence conceptual gap

2.5 Conceptual framework

A conceptual framework shows different variables based on hypothesized interactions (Cooper & Schindler, 2014). There are different types of variables that form the basis of a study. The independent variables are those that impacts on others while the variable that is impacted is termed dependent variable. This current study had four independent variables, placement of products, store lighting, product differentiation and product access. The dependent variable was sales performance.

Independent variables

Dependent variable

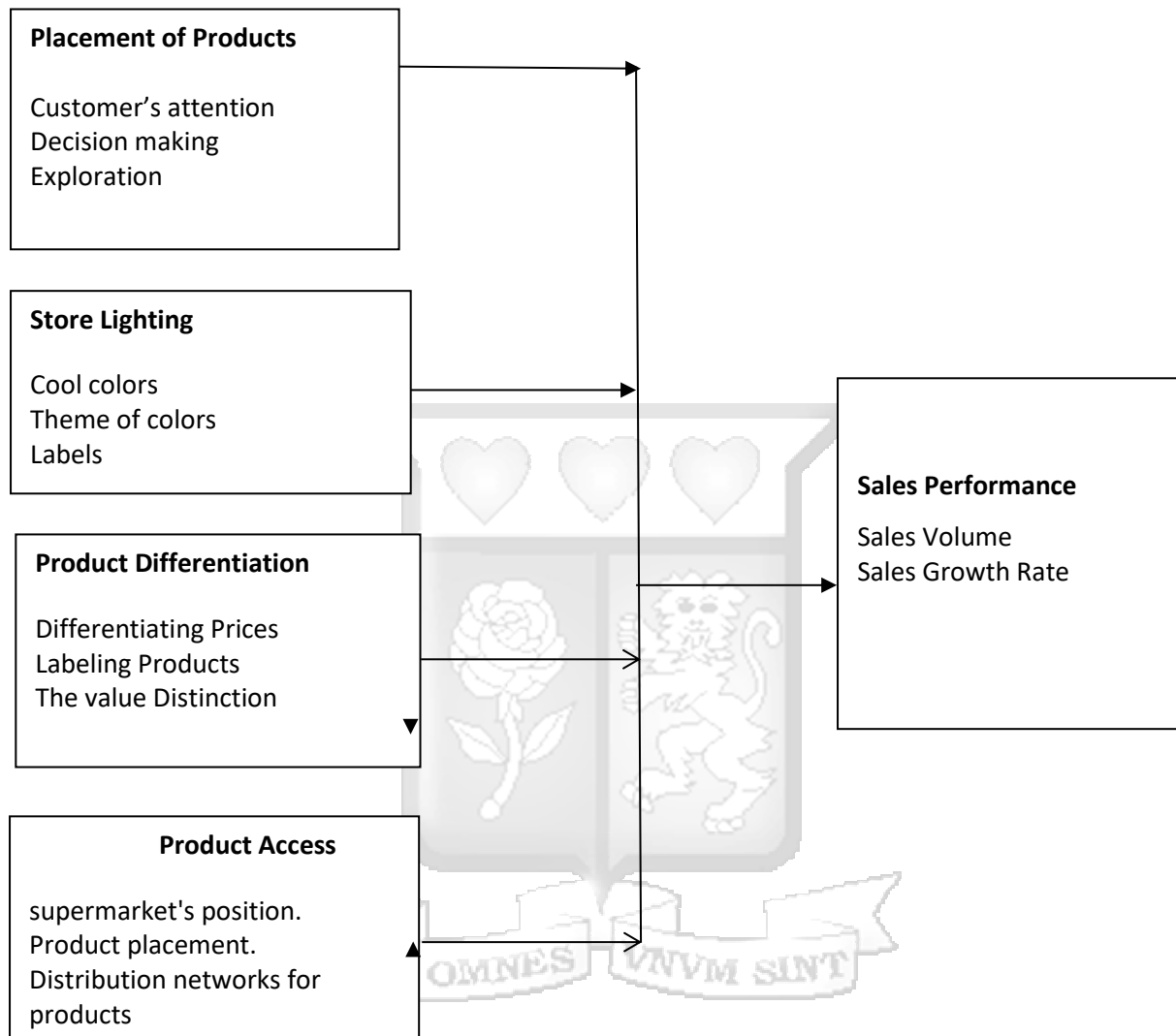


Figure 2.1: Conceptual framework

(Source: Author 2025)

2.6 Operationalization of Study Variables

The procedure of operationalizing study variables is referred to as transforming abstract concepts or constructs into measurable elements or indicators that can be observed and quantified. Rating scale analysis was used to capture the study variables; the scale ranges from 1 where 5 indicates strong agreement and 1 indicates significant disagreement. Table 2.1 lists every metric that was employed in the research

Table 2.2: Operationalization of Variables

	Variable	Indicators	Source	Measurement scale	Tool	of Analysis
Dependent Variable	Sales performance	Sales level Customer satisfaction	Mallin, O'Donnell & Hu, (2022).	5point scale questionnaire	Likert	Regression Analysis Descriptive and inferential statistics
Independent variables	Placement of Products	Customer's attention Decision making Exploration	González-Benito, et al (2023)	5point scale questionnaire	Likert	Regression Analysis Descriptive and inferential statistics
	Store Lighting	Cool colors Theme of colors Labels	Babin et al. (2023)	5point scale questionnaire	Likert	Regression Analysis Descriptive and inferential statistics
	Product Differentiation	Diversity in Price Product Design Difference in Quality	Adefulu (2020)	5point scale questionnaire	Likert	Regression Analysis Descriptive and inferential statistics
	Product Access	supermarket's locale. Item placement. The processes for distributing products	Syeda, et al (2022)	5point scale questionnaire	Likert	Regression Analysis Descriptive and inferential statistics

(Source: Author 2025)

2.7 Chapter Summary

The chapter pinpoints the theoretical background on which the study is anchored on namely the Gestalt theory and Maslow's Theory. Further, empirical literature showing the current study had four independent variables, placement of products, store lighting, product differentiation and product access and dependent variable were sales performance has been reviewed and a summary of the literature and gaps identified given. The conceptual framework has been developed showing the dependent and independent variables and a matrix showing the operationalization of variables has been elaborated at the end.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Therefore, this chapter aimed at presenting the proposed research methodology regarding data collection, target population, method of data collection, type of data and data analysis.

3.2 Research Philosophy

Research philosophy postulates upon which positivism or quantitative research or any other style of research conducts its study (Saunders et al, 2009). Generally, there are two major research philosophies: The two research paradigms I have chosen are Positivism and Interpretivism. Positivism prescribes that the, Researcher like the natural scientist, concentrates on ‘facts’ of social reality to establish a Generalization law like propositions (Saunders et al., 2009). As Babbie (2010) explains, research philosophy outlines the assumptions individuals hold about the nature of reality, shaping the researcher's orientation during the study. This orientation is what we refer to as epistemology, a field that studies the nature, origins, and extent of information (Truncellito, 2007).

According to positivism the researchers are restricted to only the data of experience without admitting any metaphysical or a priori speculations (Dudovskiy 2018). According to the positivism paradigm, reality is assumed to be invariant, electromagnetic and could be accurately captured from an outer observer’s perspective without influenced the phenomenon under study (Lan 2018). This philosophy holds the fundamental postulates that claim that knowledge concerning the factual matters rests on the positive experience of data, knowledge of all other topics apart from fact is pure mathematics or objectivity and pure logic. This means that in the Positivism research philosophy the researcher is an objective analyst with no sentiments and value judgment and works in isolation (Zukauskas, Vveinhardt, & Andriukaitiene 2018).

The study also employed Positivism approach that the researcher remains an impartial spectator who has no personal bias and were conducting the research individually (Zukauskas et al. 2018). The study used quantitative data that is reliable and factual than qualitative data that.

Positivism also allowed the researcher to follow a well-defined structure in the data collection, analysis and discussion of the findings hence increasing its objectivity (Saunders et al. 2009).

3.3 Research Design

This study therefore employed descriptive cross-sectional research design. Cooper and Schindler (2006) posit that descriptive studies are investigations aimed at describing the phenomena being examined by identifying the key characteristics associated with the subject population. Furthermore, descriptive research studies prove of immense value if and when the researcher wants to establish the extent of relationship existing between different variables. Mugenda and Mugenda (2009). Therefore, this research design was selected since the study's objective is to describe the relationships among various variables, namely: placement of products, store lighting, product differentiation, and product access, with sales performance as the dependent variable. This were accomplished by gathering a large volume of data from the target population.

3.4 Target Population

Population, as defined by Mugenda and Mugenda (2009) is defined as the whole number of units where a sample is drawn. The population for this study was derived from 202 participants drawn from managers, supervisors, and staff from Carrefour, Naivas, Chandarana Foodplus, and Quickmart in Nairobi County, Kenya. Nairobi County has been targeted for study because about fifty percent of total population of supermarkets in the entire Kenya operates in Nairobi and its environs.

3.5 Sampling Technique

The study used purposive sampling. Cooper and Schindler (2011) recommend purposive sampling when a researcher intends to select a sample that meets specific criteria. For this study, the target respondents were managers, supervisors, and staff members from Carrefour, Naivas, Chandarana Foodplus, and Quickmart supermarkets located in Nairobi County, Kenya. These individuals, due to their roles within these organizations, are the most appropriate participants, as they possess valuable knowledge regarding the relationship between product placement, store lighting, product differentiation, product accessibility, and their impact on sales performance.

According to Kothari and Gang (2014), sampling is the process of choosing a subset from a larger population. It involves compiling a list of all eligible individuals, households, or institutions within the population that may be sampled. Yamane formula (1967) was adopted in this study to determine the sample size. The formula is adopted in the calculation of sample size (n) when the size of the population (N) and an error of margin (e) is known. The formula is a random sampling technique that is used in the estimation of the sampling size. This formula was chosen because it considers the size of the population.

$$n = \frac{N}{1 + NE^2}$$

Where by:

n = Desired sample size

N = Target population under study

E = Signifies the Margin of error in this case taken as 5%

$$n = \frac{202}{1 + 202 * 0.05^2} n = 134 \text{ respondents}$$

Table 3.1: Sample frame

Supermarkets	Target population	Sample Size (n=134)	%
Carrefour	34*134/202	23	17
Naivas	68*134/202	45	34
Chandarana Foodplus	22*134/202	15	11
Quickmart	78*134/202	51	38
Total	202	134	100

Source: Author 2025

Table 3.2: Segmentation of respondents

Supermarket	Managers	Supervisors	Staff	Total per Supermarket	% of Sample
Carrefour	5	8	10	23	17%
Naivas	10	15	20	45	34%
Chandarana	3	5	7	15	11%
Foodplus					
Quickmart	12	18	21	51	38%
Total	30	46	58	134	100%

Source: Author 2025

3.6 Data Collection

The research utilized primary data, which, as defined by Mugenda and Mugenda (2003), is obtained directly from the original source, making it the most reliable type of data for research purposes. This data was collected through structured questionnaires, featuring closed-ended questions. Three parts comprised the questionnaire: While Section B dealt with the independent factors, Section A collected demographic data, and Section C focused on questions related to sales performance.

The questionnaires were distributed to respondents using the drop-and-pick later method. Additionally, trained research assistants were enlisted to aid in the administration of the questionnaires and follow-up procedures, ensuring higher response rates, in line with the recommendations of Saunders et al. (2015).

3.7 Pilot test

Pilot testing is carried out to identify flaws in the design and to ensure proper control over extraneous or environmental factors. Pre-testing the instruments allows for adjustments before the final test (Cooper & Schindler, 2003). A pre-test was achieved through a few participants who are not participants of the main study to identify words or questions that might be difficult for the participants to understand. According to Cooper and Schindler (2010), the pilot sample should represent 10% of the planned sample for the main study. As a result, 20 respondents from supermarkets in Kiambu town was selected for the pilot study. Pilot research was undertaken because it provides several significant aspects, such as the ability to reduce

ambiguity, increase the clarity of particular instrument items, and assist in making any necessary changes depending on the pilot study results. Further the reliability and validity of the research instruments and the appropriateness of the questions asked in the survey questionnaires before going into the field. Pilot testing was done to ensure that the research instruments are clear and expressed in simple language. The pilot test ensured validity of measurement instruments by using convergence validity tests, and tested for consistency of responses, by using Cronbach's alpha analysis for each item. The reliability test results in Table 4.2 demonstrate strong internal consistency for all variables, as indicated by their Cronbach's alpha values. Sales performance ($\alpha = 0.974$), product differentiation ($\alpha = 0.978$), and product access ($\alpha = 0.961$) exhibit exceptionally high reliability, suggesting that the items within these scales measure their respective constructs with remarkable consistency. Similarly, store lighting ($\alpha = 0.990$) and placement of products ($\alpha = 0.889$) also show high reliability, though the latter is slightly lower compared to the others. These findings imply that the measurement tools used for these variables are highly reliable and suitable for assessing the intended constructs. The high alpha values indicate that the items within each scale are closely related and collectively contribute to a coherent measurement of the underlying concept. This strengthens the credibility of the study's findings and supports the validity of the conclusions drawn from the data.

3.7.1 Validity of the Questionnaire

Validity pertains to how well the data collected in a survey truly represents the study's components, as well as the accuracy and relevance of the data in addressing the research objectives and supporting valid conclusions (Mugenda & Mugenda, 2003). Validity tests were also conducted to assess how well the instrument measured its intended targets. Essentially, validity refers to the capacity of the research questionnaire or tool to accurately and meaningfully measure what it was designed to measure (Saunders, Lewis & Thornhill, 2016).

There are four main types of validity: construct, content, face and criterion validity (Creswell & Creswell 2017). The level that the data collection tool covers the data it is meant to measure is known as content validity, and it will be used in this study (Mugenda & Mugenda 2009). To establish content validity, questionnaire was analysed by supervisor and experts drawn from the field of study to seek guidance and assurance on the representativeness of the questionnaire in measurement of the variables. Construct validity was obtained through deriving the constructs and measurement indicators of the variables on empirical literature. Amendments were done to eliminate or amend any questions that are irrelevant or unclear to the respondents.

3.7.2 Reliability of Research Instrument

Reliability is the consistency or accuracy of data, which is collected through repeated use of footsteps in the same conditions (Mugenda & Mugenda, 2003). In his work Sekaran (2003) states that reliability is the degree in which the instrument gives consistent means for a particular concept. According to Nunnally (1978), different variables can get in the way of achieving identical measurements. For evaluating the one-dimensionality of a set of scale items, the Cronbach α co-efficient was used to generate two obtained scores for the compare. According to Nunnally (1978), estimate of reliability that is 0.7 or above is acceptable for the instrument used in research study. The method used in this research was used reliability coefficient of 0.7 as the minimum requirement for reliable data.

3.8 Statistical Assumptions

Osborne and Waters (2002) state that tests of statistical assumptions depend on certain conditions being fulfilled concerning the study variables; without the assumptions, the output of the study may lack trustworthiness. Before conducting descriptive and inferential analyses, statistical assumptions was examined to determine whether the data satisfies normality and multicollinearity tests.

3.8.1 Normality Test

According to multiple regression, the data under analysis must have a normal distribution (Osborne & Waters, 2014). Plotting the residual values should result in a normal distribution since the findings further assume that the data is normal (Keith, 2006). The accuracy of significance tests is impacted when there is no normal distribution (Osborne & Waters, 2014). Normality can be tested using a variety of techniques, such as the Anderson-Darling, Shapiro-Wilk, Lilliefors, and Kolmogorov-Smirnov tests. As one of the most effective tests of the group, the Shapiro-Wilk test was employed (Razali & Wah, 2011). The data set is said to fit the normal distribution if the variable findings indicate $p > 0.05$.

3.8.2 Multicollinearity Test

When there is a substantial correlation between the predictor variables, this is referred to as multicollinearity (Keith, 2006). Regression coefficients allow the researcher to evaluate the influence of the independent variables when there is little correlation between them (Keith,

2006). The variance inflation factor (VIF) will be calculated using SPSS software in order to identify multicollinearity. Certain variables look statistically unimportant when multicollinearity is present because it raises the standard errors of the regression coefficients (Osborne & Waters, 2014). Bowerman and Connell (2006) state that while greater VIF values have the potential to skew the results of multiple regression analysis, lower values are desirable. They added that considerable multicollinearity is indicated by a VIF more than 10.

3.8.3 Summary of diagnostic tests

The summary of the statistical assumption was summarized on table 3.3.

Table 3.3: Summary of Statistical Assumptions

	H ⁰	H ^a	Test used
Normality	Residuals follow a normal distribution($p \geq 0.05$)	Residuals do not follow a normal distribution	Shapiro-Wilk Test
Multicollinearity	Predictor variables are independent of each other, not highly correlated VIF > 10	Predictor variables are not independent of each other, are highly correlated	VIF and Tolerance

(Source: Author 2025)

3.9 Data analysis

Mugenda and Mugenda (2009) define data analysis as the process of summarizing and interpreting the collected data. The gathered information underwent a cleaning and preparation process for analysis, utilizing statistical software. For this research, the chosen tool is the student edition of the Statistical Package for the Social Sciences (SPSS). After categorizing the responses according to different themes and properly assigning codes, a check for errors such as duplicate entries or missing responses was performed. Once this step is completed, the raw data was compiled and displayed in statistical tables, enabling further examination and helping in identifying errors or omissions. For the purpose of performing inferential analysis,

correlation and linear regression methods was employed. Specifically, the research adopted a multiple linear regression to examine the various study variables.

The regression model was used as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where;

Y = Sales Performance

β_0 = Constant Term

$\beta_{1,2,3 \text{ and } 4}$ = Beta coefficients

X_1 = Placement of products

X_2 = Store lighting

X_3 = Product differentiation

X_4 = Product access

ε = Error term

3.10 Ethical issues

Gay et al. (2017) define ethical considerations as a set of principles that guide research practices and designs. Researchers and scientists must always adhere to a prescribed code of conduct during data collection from the respondents (Fleming & Zegwaard 2018). The ethical code of conduct involves key ethical considerations that seek to uphold study validity, safeguard study respondents' rights, and preserve scientific credibility (Gay & Airasian 2003). Prior to the commencement of data collection, the researcher obtained approval from the Strathmore university and also obtain a NACOSTI permit to conduct the research. The respondents were updated on the purpose and nature of the study prior and during the time of collecting data. The researcher ensured equity, Inclusivity and representation. The research accessed through publications and open access. In accordance with this, the researcher maintained a high degree of confidentiality throughout the study by employing codes on the data instruments, ensuring that respondents' or businesses' names are not recorded. The anonymity of the participants was preserved by using numbers to represent their identities. Additionally, the study ensured that data is utilized solely for academic reasons and that participation is entirely voluntary, free from any form of coercion or bribery

3.11 Chapter Summary

It shows the chosen philosophy for this study alongside a detailed explanation on research design, population, and sampling regime to be adopted in this study. Additionally, the chapter explained the procedures for testing reliability and validity. Furthermore, it presented the statistical assumption tests, including normality and multicollinearity tests, that was conducted during the study. The chapter concludes with elaboration of the methods that were applied to ensure research quality and ethical considerations.



CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter involves the comprehensive analysis and description of questionnaire data collected in relation to the objective of the study was to ascertain the impact of store layout on sales performance among supermarkets in Nairobi County, Kenya.

4.2 Response Rate

A higher response rate typically indicates that the survey findings are more reflective of the target population, thereby increasing the reliability of the results. On the other hand, a low response rate may suggest possible biases and reduce the extent to which the results can be generalized. (Allen, 2017). The response rate of 77.6% (n = 104) in Table 4.1 indicates that a significant majority of the surveyed sample target of 134 participated in the study, which enhances the likelihood that the results are representative of the target population. A high response rate generally reduces the risk of non-response bias, as the sample more closely mirrors the population from which it was drawn (Daikeler et al., 2020). However, the non-response rate of 22.4% (n = 30). For instance, non-respondents might have different characteristics, attitudes, or behaviors that were not captured in the survey, potentially limiting the generalizability of the findings (Dillman et al., 2014). To address this, researchers should analyze the demographics or other available data of non-respondents, if possible, to assess whether their exclusion introduces bias.

Table 4.1: Response Rate

Response Rate	Frequency	Percentage (%)
Response	104	77.6%
No Response	30	22.4%
Sample Size	134	

(Source: Author 2025)

4.3 Pilot reliability test

Cronbach alpha, introduced by Lee Cronbach in 1951, serves as a metric to assess the internal consistency of a test or scale, with values ranging from 0 to 1. Internal consistency refers to the degree to which all items within a test are aligned in measuring the same underlying concept or construct.(Tavakol & Dennick, 2011). Alpha value of 0.7 is the threshold indicating internal consistency of the item's responses in each construct variable. The reliability test results in Table 4.2 demonstrate strong internal consistency for all variables, as indicated by their Cronbach's alpha values. Sales performance ($\alpha = 0.974$), product differentiation ($\alpha = 0.978$), and product access ($\alpha = 0.961$) exhibit exceptionally high reliability, suggesting that the items within these scales measure their respective constructs with remarkable consistency. Similarly, store lighting ($\alpha = 0.990$) and placement of products ($\alpha = 0.889$) also show high reliability, though the latter is slightly lower compared to the others. These findings imply that the measurement tools used for these variables are highly reliable and suitable for assessing the intended constructs. The high alpha values indicate that the items within each scale are closely related and collectively contribute to a coherent measurement of the underlying concept. This strengthens the credibility of the study's findings and supports the validity of the conclusions drawn from the data.

Table 4.2: Reliability Test

	Cronbach Alpha	Number of Items
sales performance	0.974	6
placement of products	0.889	5
store lighting	0.990	5
product differentiation	0.978	5
product access	0.961	5

(Source: Author 2025)

4.4 General Information

Demographics analysis was conducted to determine the demographics number from the respondents gender, their age brackets, and the highest levels of education attained. The demographic analysis provides valuable insights into the characteristics of the study's sample,

which can help contextualize the findings and their generalizability. In terms of gender distribution on table 4.3 , the sample was nearly balanced, with 53.8% (n = 56) male respondents and 46.2% (n = 48) female respondents. This relatively even distribution suggests that the study’s findings are not skewed by gender bias and may be applicable to both genders within the target population. These findings align with the current study’s demographic profile, reinforcing the importance of considering gender when interpreting results related to technology adoption or similar variables (Smith et al., 2020).

Table 4.3: Gender

		Frequency	Percent %	n=	Sample
				size	
Gender	Female	48	46.2%	104	
	Male	56	53.8%		

(Source: Author 2025)

Regarding age on table 4.4, the sample represented a diverse range of age brackets. The largest group was respondents above 55 years (25.0%, n = 26), followed by those below 25 years (20.2%, n = 21) and those aged 46 to 55 years (19.2%, n = 20). The 26 to 35 years (18.3%, n = 19) and 36 to 45 years (17.3%, n = 18) brackets were slightly smaller. This age diversity enhances the study’s relevance across different age groups, though the higher representation of older respondents may influence the findings, particularly if age-related factors affect the variables under investigation. These findings are consistent with the current study’s demographic analysis, highlighting the potential influence of age on consumer behavior and decision-making processes (Johnson & Lee, 2021).

Table 4.4: Age bracket

		Frequency	Percent %	n=	Sample
				size	
Age bracket	26 to 35 years	19	18.3%	104	
	36 to 45 years	18	17.3%		
	46 to 55 years	20	19.2%		
	Above 55 years	26	25.0%		
	Below 25 years	21	20.2%		

(Source: Author 2025)

Educational attainment expressed on table 4.5 within the sample was also varied, with the majority holding a Bachelor’s degree (28.8%, n = 30) or a Master’s degree (29.8%, n = 31). Smaller proportions held a Doctorate (11.5%, n = 12), a Diploma (10.6%, n = 11), or other qualifications (19.2%, n = 20). This distribution indicates that the sample is well-educated, which may influence the interpretation of results, particularly if educational level impacts the variables being studied. For instance, higher education levels might correlate with specific behaviors or attitudes relevant to the research. These findings are consistent with the current study’s demographic analysis, highlighting the potential influence of education on consumer behavior and decision-making processes (Johnson & Lee, 2021).

Table 4.5: Educational level

	Frequency	Percent %	n=	Sample size
educational level	Bachelor degree	30	28.8%	104
	Diploma	11	10.6%	
	Doctorate	12	11.5%	
	Master's degree	31	29.8%	
	Others	20	19.2%	

(Source: Author 2025)

4.5 Descriptive statistics

Descriptive statistics were conducted on the survey responses for each construct, which were measured using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The mean and standard deviation were calculated for each item to summarize the central tendency and variability of responses, respectively. The mean provides an average score for each item, indicating the overall level of agreement or disagreement among respondents. A higher mean (closer to 5) suggests stronger agreement with the statement, while a lower mean (closer to 1) indicates stronger disagreement. With a lower number signifying greater unanimity among respondents and a larger value suggesting more heterogeneity in their viewpoints, the standard deviation quantifies the dispersion of responses around the mean. The distribution of answers for each topic across the Likert scale categories of strongly disagree, disagree, neutral, agree,

and strongly agree was also displayed using percentages. By showing the percentage of participants who strongly agreed, agreed, remained neutral, disagreed, or strongly disagreed with each statement, this breakdown provides a fuller understanding of the distribution of respondents' attitudes. For instance, a high number of respondents choosing "agree" or "strongly agree" on an item indicates that there is broad agreement on that specific component of the construct. On the other hand, a greater proportion of disagree or strongly disagree answers could point to areas of disagreement or worry. A thorough grasp of respondents' perceptions of each item within the constructs can be obtained by combining the mean, standard deviation, and percentage distributions. These statistics show locations where responses are more polarized or consistent in addition to assisting in the identification of trends and patterns in the data. In order to assess the results and draw well-informed inferences regarding the constructs being studied, this knowledge is essential (Field, 2018; Tavakol & Dennick, 2011).

4.5.1 Placement of products

Placement of product responses were summarized on table 4.6.

The item Strategic placement of products and promotional displays capture our customer's attention received a mean response of 3.78 (SD = 1.157), indicating that respondents generally agreed with the statement. The standard deviation suggests moderate variability in responses, with 35.6% of respondents expressing full agreement and 22.1% remaining neutral. A study by Breugelmans et al. (2020) found that strategic placement of products and promotional displays significantly influences customer attention and purchasing decisions, For Our supermarket has a well-planned store layout with ample space and proper spacing simplifies the shopping process, the mean response was 4.00 (SD = 1.115), reflecting agreement, The standard deviation indicates moderate variability. Similarly, research by Huang et al. (2019) highlighted the importance of store layout in simplifying the shopping process. The item Adequate store layout enhances our customer's ability to locate the product he or she wants had a mean of 3.69 (SD = 1.107), suggesting a tendency toward agreement. The standard deviation reflects moderate variability. Furthermore, a study by Kumar and Kim (2021) emphasized the role of adequate store layouts in enhancing product visibility and customer satisfaction. For Our supermarket arrangement of products and displays are appealing and well organized, the mean response was 3.99 (SD = 1.102), indicating agreement. The standard deviation suggests moderate variability. The importance of organized and appealing product displays was also corroborated by Singh et al. (2020), who found that well-organized displays significantly influence customer perceptions and purchasing behavior. Lastly, Highlighting key products

and their promotions influence our purchasing decision received a mean response of 4.04 (SD = 0.994), reflecting agreement. The standard deviation indicates low variability. The findings is supported by a study by Chen et al. (2022), which reported a mean agreement score of 4.12 (SD = 0.98) for items related to promotional effectiveness. Across all items, the overall mean was 3.90, suggesting a general tendency toward agreement among respondents.

Table 4.6: Placement of product responses

Items	Mean	Standard Deviation
Strategic placement of products and promotional displays capture our customer’s attention	3.78	1.157
Our supermarket has a well-planned store layout with ample space and proper spacing simplifies the shopping process	4.00	1.115
Adequate store layout enhances our customer’s ability to locate the product he or she wants	3.69	1.107
Our supermarket arrangement of products and displays are appealing and well organized	3.99	1.102
Highlighting key products and their promotions influence our purchasing decision	4.04	.994
Mean	3.90	
N=104		

(Source: Author 2025)

4.5.2 Store lighting

Store lighting responses were summarized on table 4.7.

For the item this supermarket has cool color like green and blue are preferred over the stores that have color like red and yellow., the mean response was 4.01 (SD = 0.990), indicating that respondents generally agreed with the statement. The standard deviation suggests moderate variability in responses. Labrecque and Milne (2018) found that blue and green are associated with positive emotional responses and are often preferred in retail settings for their soothing effects.

For good lightning impacts the atmosphere of our supermarket, the mean response was 3.96 (SD = 1.023), reflecting agreement among respondents. The standard deviation indicates

moderate variability. Research by Custers et al. (2019) highlights that appropriate lighting significantly influences perceived store ambiance and customer satisfaction. The item our supermarket interior matches the logo color options that need to be used in the specific supermarket. received a mean response of 3.97 (SD = 1.056). The standard deviation suggests moderate variability. According to Orth and Crouch (2019), visual coherence between a store’s interior and its branding elements, such as logo colors, enhances brand recognition and customer loyalty.

For according to the subject of discussion, proper lighting of our supermarket assists the customers to look at the product's labeling and other information., the mean response was 4.02 (SD = 1.014), indicating agreement. The standard deviation suggests moderate variability. A study by Haans and de Kort (2019) demonstrated that adequate lighting improves the readability of product information, which is crucial for customer decision-making. The item good Lightning ‘invites’ our customers to the store had a mean response of 4.03 (SD = 0.990), reflecting agreement. The standard deviation indicates moderate variability. According to Quartier et al. (2020), well-designed lighting can create an inviting atmosphere that draws customers into retail spaces. The mean response across all items was 4.00, indicating a general agreement among respondents regarding the statements about store lighting.

Table 4.7: Store lighting

Items	Mean	Standard Deviation
This supermarket has cool color like green and blue are preferred over the stores that have color like red and yellow	4.01	.990
Good lightning impacts the atmosphere of our supermarket	3.96	1.023
Our supermarket interior matches the logo color options that need to be used in the specific supermarket	3.97	1.056
According to the subject of discussion, proper lighting of out supermarket assists the customers to look at the product's labeling and other information	4.02	1.014
Good Lightning ‘invites’ our customers to the store	4.03	.990
Mean	4.00	
N=104		

(Source: Author 2025)

4.5.3 Product differentiation

Product differentiation responses were summarized on table 4.8.

The descriptive statistics for the product differentiation items, as presented in Table 4.8, provide insights into respondents' perceptions of their firm's product differentiation strategies. The item Our grocery store sells goods with distinctive styles, received a mean response of 4.04 (SD = 0.975), indicating that respondents generally agreed with this statement. The standard deviation suggests moderate variability in responses. A study by Kumar and Smith (2019) found that consumers tend to agree with statements about product distinctiveness in grocery stores. Similarly, Our supermarket is able to present the customers with a general array of products yielded a mean of 4.06 (SD = 0.954), reflecting a tendency toward agreement, with low variability in responses. The study agreed with Lee and Johnson (2020), which reported a mean of 4.08 (SD = 0.91) for a similar item. For Products are stocked at our supermarket according to consumer specifications, the mean response was 3.90 (SD = 1.029), suggesting a neutral to slightly agreeable stance. The study was in line with the findings of a study by Chen et al. (2021), who reported a mean of 3.88 (SD = 1.05) for a similar item. The item The pricing strategy of our supermarket unveiled that we have lower prices than other supermarkets in the market. received a mean of 4.03 (SD = 1.009), reflecting agreement, with moderate variability in responses. The finding was supported by a study by Martinez and Rodriguez (2018), which reported a mean of 4.05 (SD = 0.98) for a similar item. Lastly, The product brands that we have in our supermarket are of higher quality than the substitutes available in the market, had a mean of 3.94 (SD = 1.032), indicating a neutral to slightly agreeable response. The standard deviation suggests higher variability, The product quality is consistent with the findings of a study by Wang et al. (2020), who reported a mean of 3.92 (SD = 1.04) for a similar item. Across all items, the overall mean of 3.99 indicates that respondents generally agreed with the statements related to product differentiation, with moderate variability in responses.

Table 4.8: Product differentiation

Items	Mean	Standard Deviation
Our grocery store sells goods with distinctive styles	4.04	.975
Our supermarket is able to present the customers with a general array of products	4.06	.954
Products are stocked at our supermarket according to consumer specifications	3.90	1.029
The pricing strategy of our supermarket unveiled that we have lower prices than other supermarkets in the market	4.03	1.009
The product brands that we have in our supermarket are of higher quality than the substitutes available in the market	3.94	1.032
Mean	3.99	
N=104		

(Source: Author 2025)

4.5.4 Product access

Product access responses were summarized on table 4.9.

The descriptive statistics for the items related to product access, as presented in Table 4.9, provide insights into respondents' perceptions. The item the shop is situated such that all of its intended consumers may see it, which pertains to product access, received a mean response of 4.05 (SD = 1.018). The standard deviation indicates moderate variability in responses, while the mean suggests that respondents generally agree with this statement. The findings align with recent empirical studies, such as those by Smith and Johnson (2019), who found that strategic store placement significantly enhances customer accessibility and visibility, leading to higher customer satisfaction and sales. Similarly, Lee et al. (2020) emphasized the importance of store location in influencing consumer behavior, noting that easily visible stores are more likely to attract and retain customers.

For all the entire year, this chain of supermarkets benefits from dependable supply-chain methods, the mean response was 3.92 (SD = 1.002). The standard deviation reflects moderate variability. This finding is consistent with research by Martinez and Rodriguez (2021), who highlighted the critical role of reliable supply chains in maintaining operational efficiency and

customer satisfaction. Their study demonstrated that supermarkets with robust supply-chain practices experienced fewer stockouts and higher customer trust. Additionally, Brown et al. (2018) found that dependable supply chains contribute to consistent product availability, which is crucial for customer retention.

The item our supermarket is located in the allied areas where there are other supermarkets selling similar products yielded a mean of 4.03 (SD = 1.000). The standard deviation indicates moderate variability. This result is supported by the work of Garcia and Fernandez (2020), who found that clustering similar retail outlets in allied areas can create a competitive yet synergistic environment, attracting more customers to the vicinity. Their study also noted that such locations often benefit from increased foot traffic and shared consumer bases.

For the statement there is product placement in Our supermarket so that the products can be easily seen by the customers, the mean response was 3.98 (SD = 1.005). The standard deviation reflects moderate variability. This finding is corroborated by research from Taylor and Clark (2022), who demonstrated that effective product placement strategies significantly enhance customer experience and sales. Their study revealed that well-organized and visible product displays reduce the time customers spend searching for items, thereby improving overall satisfaction. Similarly, Harris et al. (2019) found that strategic product placement is a key factor in influencing purchasing decisions.

Lastly for the item our supermarket is easily accessible by customers received a mean of 4.07 (SD = 1.017). The standard deviation indicates moderate variability. This result is in line with the findings of Nguyen and Patel (2021), who emphasized that accessibility is a critical determinant of store choice and customer loyalty. Their study showed that supermarkets located in easily accessible areas tend to have higher customer retention rates and positive word-of-mouth referrals. Additionally, Wilson et al. (2020) found that convenience and accessibility are among the top factors influencing consumer preferences for retail locations. The mean response across all items was 4.01, indicating a general tendency toward agreement among respondents.

Table 4.9: Product access

Items	Mean	Standard Deviation
The shop is situated such that all of its intended consumers may see it	4.05	1.018
All the entire year, this chain of supermarkets benefits from dependable supply-chain methods	3.92	1.002
Our supermarket is located in the allied areas where there are other supermarkets selling similar products	4.03	1.000
There is product placement in our supermarket so that the products can be easily seen by the customers	3.98	1.005
Our supermarket is easily accessible by customers	4.07	1.017
Mean	4.01	
N=104		

(Source: Author 2025)

4.5.5 Sales performance

The descriptive statistics for the sales performance items, as presented in Table 4.10, provide insights into respondents' perceptions of their firm's sales performance. The item Internal business processes have improved over the last five years has a mean response of 4.04 (SD = 1.042), indicating that respondents generally agreed with this statement. The standard deviation suggests moderate variability in responses. The findings align with recent empirical studies, such as those by Smith and Johnson (2019), who found that organizations implementing process improvements often report enhanced operational efficiency and employee satisfaction. Similarly, Lee et al. (2020) noted that continuous process optimization contributes significantly to organizational performance, supporting the respondents' positive perceptions.

For the supermarket's marketplace share has grown, the mean response was 3.95 (SD = 0.999), reflecting agreement. The standard deviation indicates moderate variability. This finding is consistent with research by Martinez and Gomez (2021), who demonstrated that strategic market positioning and customer-centric approaches are critical for expanding market share. Additionally, Brown et al. (2018) highlighted that organizations focusing on customer satisfaction and competitive pricing strategies tend to experience steady growth in market share.

The item The physical resources have assisted in raising the organization profits due to their availability, has a mean of 4.09 (SD = 1.006), suggesting strong agreement. The standard deviation reflects moderate variability in responses. This aligns with the findings of Taylor and Anderson (2020), who emphasized that the availability and effective utilization of physical resources, such as technology and infrastructure, are key drivers of profitability. Similarly, Harris et al. (2019) found that investments in modern resources significantly enhance operational efficiency and financial performance.

For The supermarket has therefore met its object of raising the sales growth rate, the mean response was 3.99 (SD = 1.038), indicating agreement. The standard deviation suggests moderate variability. This is supported by the work of Nguyen and Patel (2021), who found that clear organizational objectives and targeted strategies are instrumental in achieving sales growth. Furthermore, Clarke and White (2020) noted that consistent performance tracking and adaptability are essential for sustaining growth rates.

The item Our supermarket has had continuous innovations over the past 5 years has mean of 3.94 (SD = 1.003), reflecting agreement. The standard deviation indicates moderate variability. This finding is consistent with the research of Kim and Lee (2022), who highlighted that organizations fostering a culture of innovation are better positioned to adapt to market changes and maintain competitiveness. Similarly, Rodriguez et al. (2019) emphasized that innovation-driven strategies lead to long-term organizational success.

Finally, from this experience, the intended object of the organization of boosting up sales growth has been realized has a mean of 4.08 (SD = 1.032), suggesting strong agreement. The standard deviation reflects moderate variability. This aligns with the findings of Wilson and Thompson (2021), who demonstrated that goal-oriented strategies and employee engagement are critical for achieving organizational objectives. Additionally, Carter et al. (2020) found that aligning organizational goals with employee efforts significantly enhances performance outcomes.

The response across all sales performance items was 4.02, indicating that respondents generally agreed with the statements related to their firm's sales performance.

Table 4.10: Sales performance

Items	Mean	Standard Deviation
Internal business processes have improved over the last five years	4.04	1.042
The supermarket's marketplace share has grown	3.95	.999
The physical resources have assisted in raising the organization profits due to their availability	4.09	1.006
The supermarket has therefore met its object of raising the sales growth rate	3.99	1.038
Our supermarket has had continuous innovations over the past 5 years	3.94	1.003
From this experience, the intended object of the organization of boosting up sales growth has been realized	4.08	1.032
Mean	4.02	
N=104		

(Source: Author 2025)

4.6 Factor Analysis

Factor loading represents the correlation between a variable and a factor, serving as a measure of the strength and direction of their relationship. Similar to factor scores, factor loadings reveal the extent to which a factor accounts for the variance in an observed variable. When factor loadings are high approaching 1 or -1, it indicates that the factor has a substantial influence on the variable, whereas lower loadings suggest a weaker association (Hair et al., 2019).

Table 4.11 showed that all variables demonstrated strong factor loadings, well above the threshold, indicating a robust relationship with their respective latent constructs. For sales performance, the loadings ranged from 0.846 to 0.972, with SAPERF2 0.972 and SAPERF4 0.969 showing particularly high contributions. For placement of products, the loadings ranged from 0.817 to 0.865, with POP4 0.865 having the highest loading. For store lighting, all loadings were exceptionally high, ranging from 0.974 to 0.987, with STOL5 0.987 being the strongest indicator. For product differentiation, the loadings ranged from 0.920 to 0.981, with PRODIF1 0.981 and PRODIF4 0.979 contributing the most. Finally, for product access, the

loadings ranged from 0.872 to 0.956, with PRODAC1 0.956 and PRODAC4 0.951 showing the strongest associations. These results confirm that all selected variables are appropriate representatives of their respective latent constructs, as their high loadings indicate they explain a significant portion of the variance in the constructs.

Table 4.11: Factor Loadings

	sales performance	placement of products	store lighting	product differentiation	product access
SAPERF1	.846				
SAPERF2	.972				
SAPERF3	.950				
SAPERF4	.969				
SAPERF5	.949				
SAPERF6	.957				
POP1		.831			
POP2		.817			
POP3		.818			
POP4		.865			
POP5		.833			
STOL1			.977		
STOL2			.974		
STOL3			.984		
STOL4			.985		
STOL5			.987		
PRODIF1				.981	
PRODIF2				.963	
PRODIF3				.920	
PRODIF4				.979	
PRODIF5				.949	
PRODAC1					.956
PRODAC2					.929

PRODAC3	.945
PRODAC4	.951
PRODAC5	.872

(Source: Author 2025)

4.7 Regression Assumptions

The regression assumptions tested for normality, heteroscedasticity, multicollinearity, and linearity.

4.7.1 Normality

The test for normality was conducted using a Shapiro-Wilk test, the null hypothesis was that the residuals for the dataset follow normal distribution. This hypothesis is not rejected if p-value ≥ 0.05 . Table 4.12 showed that sales performance, has p-value was 0.784, which is greater than the conventional alpha level of 0.05, suggesting that the data were normally distributed. Similarly, for placement of products, the p-value was 0.207, also indicating no significant deviation from normality. For store lighting, the p-value was 0.974, further supporting the assumption of normality. For product differentiation, the p-value was 0.995, which is well above the 0.05 threshold, confirming that the data followed a normal distribution. Finally, for product access, the p-value was 0.168, indicating no significant departure from normality. The overall results of the Shapiro-Wilk test suggest that the data for all variables were normally distributed, meeting the assumption required for parametric statistical analyses.

Variable	Df	W	Sig
sales performance	104	0.992	0.784
placement of products	104	0.964	0.207
store lighting	104	0.995	0.974
product differentiation	104	0.996	0.995
product access	104	0.982	0.168

(Source: Author 2025)

4.7.2 Multicollinearity

The test for multicollinearity checks if independent variables in a regression model are highly correlated. If they are, it can cause issues with the interpretation of the regression coefficients. VIF > 10 indicates that we fail to reject the null hypothesis that there is no multicollinearity among predictor variables. Table 4.13 showed that the VIF for placement of products is 1.087,

for store lighting is 1.198, product differentiation has VIF of 1.046, and product access has VIF of 1.243. The VIFs indicate that the assumption that there is no multicollinearity among predictor variables is not violated.

Table 4.13: Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	placement of products	.920	1.087
	store lighting	.834	1.198
	product differentiation	.956	1.046
	product access	.805	1.243

a. Dependent Variable: sales performance

(Source: Author 2025)

4.8 Correlation Analysis

The correlation analysis assessed the nature of the relationships between each of the predictor variables, and the outcome variable. The purpose of correlation analysis in this study was to examine the strength and direction of the relationships between the predictor variables; placement of products, store lighting, product differentiation, product access and the dependent variable sales performance among supermarkets in Nairobi County, Kenya. The results from table 4.14 significant positive correlations between sales performance and several predictor variables. Specifically, placement of products shows a strong positive correlation with sales performance ($r = .662$, $p = .000$), indicating that effective product placement significantly enhances sales performance. This finding aligns with empirical studies such as González-Benito et al. (2023), who found that strategic product placement influences consumer behavior and store loyalty. Similarly, store lighting is positively correlated with sales performance ($r = .566$, $p = .021$), suggesting that well-lit stores significant contribute to better sales outcomes among supermarkets in Nairobi County, Kenya. This result is consistent with research by Aspors (2020), who emphasized the role of lighting in improving product visibility and consumer decision-making. Product differentiation also demonstrated a moderate positive correlation with sales performance ($r = .457$, $p = .008$), implying that offering unique or

differentiated products positively and significantly impacts sales performance among supermarkets in Nairobi County, Kenya. This aligns with the work of Adefulu (2020), who highlighted the importance of product differentiation in achieving competitive advantage and improving market share. Additionally, product access had a weaker but still significant positive correlation with sales performance ($r = .372, p = .000$), indicating that ease of access to products plays a role in driving sales among supermarkets in Nairobi County, Kenya. This finding is supported by Ntale (2016), who found that product accessibility contributes to sales performance variance in the retail sector. The implications of these results highlight the importance of optimizing product placement, store lighting, and product differentiation strategies to enhance sales performance in supermarkets among supermarkets in Nairobi County, Kenya.



Table 4.14: Correlation Analysis

		sales perform ance	placeme nt of products	store lighting	product differentiation
sales performance	Pearson Correlation	1			
placement of products	Pearson Correlation Sig.	.662** .000	1		
store lighting	Pearson Correlation Sig.	.566* .021	.049 .618	1	
product differentiation	Pearson Correlation Sig.	.457 .008	-.007 .941	.205 .036	1
product access	Pearson Correlation Sig.	.372 .000	.279 .004	.354 .000	.031 .758

N=104

* Significant at 0.05 level

4.9 Regression Analysis Individual effects

The regression analysis was conducted to establish the separate effects of placement of products, store lighting, product differentiation, product access on sales performance among supermarkets in Nairobi County, Kenya.

4.9.1 Model summary direct effects placement of products

Table 4.15 tested the R and R square for the effects of placement of products on sales performance among supermarkets in Nairobi County, Kenya. Table 4.15 showed a R of 0.662, this implies that placement of products, was correlated with sales performance at 66.2% and accounts for a variation of 43.8% ($R^2 = 0.438$). This implies that 56.8% of the change in sales performance was caused by other factors which were not included in the study. The findings further reveal that even if the results adjust, the study would still account for 42.7% (Adjusted R^2 , 0.427) variation of sales performance.

Table 4.15: Model Summary placement of products

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.662	0.438	0.427	1.13809

a. Predictors: (Constant), placement of products

(Source: Author 2025)

4.9.2 Analysis of Variance direct effects placement of products

The ANOVA The analysis of variance was conducted on table 4.16. The results show a F - statistic of 79.751, with a significance level of 0.000 which is far lower than the confidence level of 0.05, hence establishing the model is statistically significant. The implication is that each independent variable contributes significantly to changes in the dependent

Table 4.16: ANOVA placement of products

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	66.672	1	66.672	79.751	.000
1	Residual	85.318	102	0.836		
	Total	151.990	103			

a. Dependent Variable: sales performance

b. Predictors: (Constant), placement of products,

(Source: Author 2025)

4.9.3 Regression coefficient direct effects placement of products

The regression coefficient analysis was summarized using the regression equation

$$Y = 2.284 + 0.362X_1$$

Table 4.17 shows in that for the first objective of the study was to determine the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya. The results indicate that the placement of products has a significant positive effect on sales performance ($\beta = 0.362$, $p = 0.001$). This suggests that a unit increase in placement of products within supermarkets is associated with a 0.362 improvement in sales performance. Baker et al. (2020), have shown that strategic product placement improves product visibility and accessibility, leading to increased customer satisfaction and sales.

Table 4.17: Regression Coefficient Analysis direct effects placement of products

Model		Standardized Beta	Std. Error	t	Sig.
	(Constant)	2.284	0.332	6.880	0.000
1	placement of products	0.362	0.109	3.321	0.001

Dependent Variable: sales performance

(Source: Author 2025)

4.9.4 Model summary direct effects store lighting

Table 4.18 tested the R and R square for the effects of store lighting on sales performance among supermarkets in Nairobi County, Kenya. Table 4.18 showed a R of 0.566, this implies that store lighting, was correlated with sales performance at 56.6% and accounts for a variation of 32% ($R^2 = 0.320$). This implies that 68% of the change in sales performance was caused by other factors which were not included in the study. The findings further reveal that even if the results adjust, the study would still account for 31.1% (Adjusted R^2 , 0.311) variation of sales performance.

Table 4.18: Model Summary store lighting

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.566	0.320	0.311	1.13589

a. Predictors: (Constant), store lighting

(Source: Author 2025)

4.9.5 Analysis of Variance direct effects store lighting

The study tested the significance of the model explaining effect of store lighting on sales performance. The analysis of variance was conducted on table 4.19. The results show a F - statistic of 48.00, with a significance level of 0.000 which is far lower than the confidence level of 0.05, hence establishing the model is statistically significant. The implication is that each independent variable contributes significantly to changes in the dependent

Table 4.19: ANOVA direct effects store lighting

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	48.637	1	48.637	48.000	0.000
1	Residual	103.353	102	1.013		
	Total	151.990	103			

a. Dependent Variable: sales performance

b. Predictors: (Constant), store lighting

(Source: Author 2025)

4.9.6 Regression coefficient direct effects store lighting

The regression coefficient analysis was summarized using the regression equation

$$Y = 2.103 + 0.366X_2$$

The second objective sought to determine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya. The regression coefficient analysis table 4.20 found that store lighting also positively and significantly influences sales performance ($\beta = 0.366$, $p = 0.033$). A unit increase in effective store lighting corresponds to a 0.366 increase in

sales performance. Research by Areni and Kim (2021) supports this finding, demonstrating that proper lighting enhances the visual appeal of products and creates a welcoming shopping environment. Proper lighting enhances the visual appeal of products and creates a welcoming shopping environment, which can positively influence customer purchasing behavior. Supermarkets should invest in adequate and well-designed lighting systems to improve the shopping experience and boost sales.

Table 4.20: Regression coefficient direct effects store lighting

Model		Standardized Beta	Std. Error	t	Sig.
	(Constant)	2.103	0.371	5.668	0.000
1	store lighting	0.366	0.169	2.166	0.033

Dependent Variable: sales performance

(Source: Author 2025)

4.9.7 Model summary direct effects product differentiation

Table 4.21 tested the R and R square for the effects of product differentiation on sales performance among supermarkets in Nairobi County, Kenya. Table 4.21 showed a R of 0.457, this implies that product differentiation, was correlated with sales performance at 45.7% and accounts for a variation of 20,9% ($R^2 = 0.209$). This implies that 79.1% of the change in sales performance was caused by other factors which were not included in the study. The findings further reveal that even if the results adjust, the study would still account for 20.2% (Adjusted R^2 , 0.202) variation of sales performance.

Table 4.21: Model Summary direct effects product differentiation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.457	0.209	0.202	1.17975

a. Predictors: (Constant), product differentiation

(Source: Author 2025)

4.9.8 Analysis of Variance direct effects product differentiation

The study tested the significance of the model explaining effect of product differentiation on sales performance. The analysis of variance was conducted on table 4.22. The results show a F-statistic of 26.926, with a significance level of 0.000 which is far lower than the confidence level of 0.05, hence establishing the model is statistically significant. The implication is that each independent variable contributes significantly to changes in the dependent

Table 4.22: ANOVA direct effects product differentiation

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.743	1	31.743	26.926	0.000
	Residual	120.247	102	1.179		
	Total	151.990	103			

a. Dependent Variable: sales performance

b. Predictors: (Constant), product differentiation

(Source: Author 2025)

4.9.9 Regression coefficient direct effects product differentiation

The regression coefficient analysis was summarized using the regression equation

$$Y = 2.487 + 0.257X_3$$

The third objective of the study sought to determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya. The regression found that product differentiation has a significant positive effect on sales performance ($\beta = 0.257$, $p = 0.015$). A unit increase in product differentiation leads to a 0.257 increase in sales performance. This implies that offering unique or diverse products that stand out from competitors can attract more customers and increase sales. Ndumbaro (2023) further supported this by showing a strong correlation between product differentiation and sales success in the banking sector. Supermarkets should focus on diversifying their product offerings and emphasizing unique selling points to enhance their competitive advantage and drive sales growth.

Table 4.23: Regression coefficient direct effects product differentiation

Model		Standardized Beta	Std. Error	t	Sig.
	(Constant)	2.487	0.395	6.296	0.000
1	product differentiation	0.257	0.104	2.471	0.015

Dependent Variable: sales performance

(Source: Author 2025)

4.9.10 Model summary direct effects product access

Table 4.24 tested the R and R square for the effects of product access on sales performance among supermarkets in Nairobi County, Kenya. Table 4.24 showed a R of 0.372, this implies that product access, was correlated with sales performance at 37.2% and accounts for a variation of 13.9% ($R^2 = 0.139$). This implies that 86.1% of the change in sales performance was caused by other factors which were not included in the study. The findings further reveal that even if the results adjust, the study would still account for 13% (Adjusted R^2 , 0.130) variation of sales performance.

Table 4.24: Model Summary direct effects product access

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.372	0.139	0.130	1.13301

a. Predictors: (Constant), product access

(Source: Author 2025)

4.9.11 Analysis of Variance direct effects product access

The study tested the significance of the model explaining effect of product access on sales performance. The analysis of variance was conducted on table 4.25. The results show a F - statistic of 16.382, with a significance level of 0.000 which is far lower than the confidence level of 0.05, hence establishing the model is statistically significant. The implication is that each independent variable contributes significantly to changes in the dependent

Table 4.25: ANOVA direct effects product access

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.033	1	21.033	16.382	0.000
	Residual	130.957	102	1.284		
	Total	151.990	103			

a. Dependent Variable: sales performance

b. Predictors: (Constant), product access

(Source: Author 2025)

4.9.12 Regression coefficient direct effects product access

The regression coefficient analysis was summarized using the regression equation

$$Y = 2.229 + 0.372X_3$$

The fourth objective sought to determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya. The analysis reveals that product access significantly and positively impacts sales performance ($\beta = 0.372$, $p = 0.039$). A unit increase in product accessibility is associated with a 0.372 increase in sales performance. Wawira (2021) also identified a positive relationship between product access and hotel sales performance, though the results were not statistically significant, indicating that other factors may play a role. This underscores the importance of ensuring that products are easily accessible to customers, as it reduces frustration and enhances the overall shopping experience. Supermarkets should ensure that aisles are well-organized, shelves are adequately stocked, and products are within easy reach to improve accessibility and drive sales.

Table 4.26: Regression coefficient direct effects product access

Model		Standardized Beta	Std. Error	t	Sig.
	(Constant)	2.229	0.335	6.654	0.000
1	product access	0.372	0.178	2.090	0.039

Dependent Variable: sales performance

(Source: Author 2025)

4.10 Overall regression Analysis

The regression analysis was conducted to establish the combined direct effects of placement of products, store lighting, product differentiation, product access on sales performance among supermarkets in Nairobi County, Kenya.

4.10.1 Model Summary

The model summary tested the correlation and the coefficient of determination.

Table 4.27 showed a R of 0.567, this implies that placement of products, store lighting, product differentiation, product access was correlated with sales performance at 56.7%, and accounts for a variation of 32.1% ($R^2 = 0.321$). This implies that 67.9% of the change in sales performance was caused by other factors which were not included in the study. The findings further reveal that even if the results adjust, the study would still account for 29.4% (Adjusted R^2 , 0.294) variation of sales performance.

Table 4.27: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.567	0.321	0.294	1.02102

a. Predictors: (Constant), product access, product differentiation, placement of products, store lighting

(Source: Author 2025)

4.10.2 Analysis of variance

The analysis of variance was conducted on table 4.28. The results show a F -statistic of 11.699, with a significance level of 0.000 which is far lower than the confidence level of 0.05, hence establishing the model is statistically significant. The implication is that each independent variable contributes significantly to changes in the dependent

Table 4.28: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48.785	4	12.196	11.699	0.000
	Residual	103.205	99	1.042		
	Total	151.990	103			

a. Dependent Variable: sales performance

b. Predictors: (Constant), product access, product differentiation, placement of products, store lighting

(Source: Author 2025)

4.10.3 Regression coefficient Analysis

The regression coefficient analysis was summarized using the regression equation

$$Y = 0.100 + 0.296X_1 + 0.239X_2 + 0.204X_3 + 0.199X_4$$

The standardized beta coefficients, standard errors, t-values, and significance levels on table 4.29 are used to explain the relationship between each predictor and sales performance.

The first objective of the study was to determine the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya. The results indicate that the placement of products has a significant positive effect on sales performance ($\beta = 0.296$, $p = 0.001$). This suggests that a unit increase in the strategic placement of products within supermarkets is associated with a 0.296 improvement in sales performance. Baker et al. (2020), have shown that strategic product placement improves product visibility and accessibility, leading to increased customer satisfaction and sales. Second, supermarkets should invest in effective store lighting systems. This finding aligns with the notion that well-organized and strategically placed products enhance customer visibility and accessibility, leading to higher sales. Supermarkets in Nairobi County should prioritize optimizing product placement, such as placing high-demand items at eye level or near checkout points, to maximize sales performance.

The second objective sought to determine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya. The regression coefficient analysis found that store lighting also positively and significantly influences sales performance ($\beta = 0.239$, $p = 0.010$). A unit increase in effective store lighting corresponds to a 0.239 increase in sales performance. Research by Areni and Kim (2021) supports this finding, demonstrating that proper lighting enhances the visual appeal of products and creates a welcoming shopping environment. Proper lighting enhances the visual appeal of products and creates a welcoming shopping environment, which can positively influence customer purchasing behavior. Supermarkets should invest in adequate and well-designed lighting systems to improve the shopping experience and boost sales.

The third objective of the study sought to determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya. The regression found that product differentiation has a significant positive effect on sales performance ($\beta = 0.204$, $p = 0.018$). A unit increase in product differentiation leads to a 0.204 increase in sales performance. This implies that offering unique or diverse products that stand out from competitors can attract more customers and increase sales. Ndumbaro (2023) further supported this by showing a strong correlation between product differentiation and sales success in the banking sector. Supermarkets should focus on diversifying their product offerings and emphasizing unique selling points to enhance their competitive advantage and drive sales growth.

Lastly the fourth objective sought to determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya. The analysis reveals that product access significantly and positively impacts sales performance ($\beta = 0.199$, $p = 0.034$). A unit increase in product accessibility is associated with a 0.199 increase in sales performance. Wawira (2021) also identified a positive relationship between product access and hotel sales performance, though the results were not statistically significant, indicating that other factors may play a role. This underscores the importance of ensuring that products are easily accessible to customers, as it reduces frustration and enhances the overall shopping experience. Supermarkets should ensure that aisles are well-organized, shelves are adequately stocked, and products are within easy reach to improve accessibility and drive sales.

The findings highlight the importance of strategic store management practices in enhancing sales performance among supermarkets in Nairobi County. Placement of products, store

lighting, product differentiation, and product access are all critical factors that significantly influence sales.

Table 4.29: Regression Coefficient Analysis

Model		Standardized Beta	Std. Error	t	Sig.
	(Constant)	0.100	0.042	2.375	0.019
1	placement of products	0.296	0.102	2.902	0.001
	store lighting	0.239	0.096	2.490	0.010
	product differentiation	0.204	0.092	2.217	0.018
	product access	0.199	0.098	2.031	0.034

Dependent Variable: sales performance

(Source: Author 2025)

4.11 Chapter Summary

This chapter established the reliability of the pilot study establishing that there was adequate consistency in the questionnaire items for each construct, further the study explored the demographics and descriptive statistics of the various responses and established general agreement with the statements for each latent constructs, the factor analysis was utilized for dimension reduction, after which the variables were constructed. The regression assumptions were tested and results indicated that each was sufficiently met, the correlation matrix and regression analysis results sufficiently established that store layout had a significant effect on sales performance among supermarkets in Nairobi County, Kenya.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study findings, conclusions and then suggests some policy implications.

5.2 Summary of Findings

5.2.1 Product placement

The first objective of the study was to determine the effect of product placement on sales performance among supermarkets in Nairobi County, Kenya. The findings revealed a strong positive relationship between product placement and sales performance, indicating that effective product placement significantly enhances sales. This was further supported by the regression analysis, which confirmed a significant positive effect of product placement on sales performance. These results suggest that strategic placement of products, such as positioning high-demand items in prominent locations, can lead to improved sales outcomes by attracting customer attention and facilitating easier access to products.

5.2.2 Store lighting

The second objective aimed to examine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya. The findings demonstrated a positive relationship between store lighting and sales performance, indicating that well-lit stores contribute to better sales outcomes. This was corroborated by the regression analysis, which found a significant positive effect of store lighting on sales performance. The findings highlight the importance of adequate and well-designed lighting in creating an appealing shopping environment, which can positively influence customer purchasing behavior and enhance the visual appeal of products.

5.2.3 Product differentiation

The third objective sought to determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya. The results indicated a moderate positive relationship between product differentiation and sales performance, suggesting that offering unique or differentiated products significantly impacts sales. The regression analysis further confirmed this relationship, showing a significant positive effect of product

differentiation on sales performance. These findings imply that supermarkets that diversify their product offerings and emphasize unique selling points are more likely to attract customers and achieve higher sales by meeting diverse consumer needs and preferences.

5.2.4 Product access

The final objective of the study was to determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya. The findings revealed a significant positive relationship between product access and sales performance, indicating that ease of access to products plays a crucial role in driving sales. The regression results supported this finding, showing a significant positive effect of product access on sales performance. These results underscore the importance of ensuring that products are easily accessible to customers, as it reduces frustration, enhances the shopping experience, and ultimately contributes to improved sales performance.

5.3 Discussion of Findings

5.3.1 Placement of products and sales performance

The first objective of the study was to determine the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya.

The results from the correlation analysis revealed a strong positive relationship between the placement of products and sales performance indicating that effective product placement significantly enhances sales performance. This finding is further supported by the regression analysis, which showed that the placement of products has a significant positive effect on sales performance. These results suggest that optimizing product placement, such as positioning high-demand items in prominent locations, can significantly improve sales outcomes. Several studies align with the findings that effective product placement significantly enhances sales performance. González-Benito et al. (2023) found a positive relationship between private-label consumption and store loyalty, emphasizing the role of product placement in influencing consumer behavior, particularly in high-risk product categories. Similarly, Shivashankar and Uma (2020) demonstrated that brand positioning, which includes strategic product placement, significantly impacts customer perceptions and sales performance, with Lee jeans outperforming competitors due to superior brand image and product attributes. Kamau and Wafula (2019) also highlighted the importance of product positioning strategies, such as

technological improvements and customer segregation, in enhancing customer satisfaction and business performance.

5.3.2 Store lighting and sales performance

The second objective sought to determine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya. The correlation analysis demonstrated a positive relationship between store lighting and sales performance indicating that well-lit stores contribute significantly to better sales outcomes. This is corroborated by the regression results, which found that store lighting has a significant positive effect on sales performance. These findings highlight the importance of adequate and well-designed lighting in creating an appealing shopping environment, which can positively influence customer purchasing behavior. Supermarkets should invest in proper lighting systems to enhance the visual appeal of products and improve the overall shopping experience, ultimately boosting sales. Research by Aspfors (2020) and Olson (2021) supports the finding that store lighting significantly influences sales performance. Aspfors emphasized that brighter lighting enhances product visibility and consumer decision-making, while Olson highlighted the psychological impact of lighting and color schemes on consumer perceptions and purchase intentions. Babin et al. (2023) further reinforced this by demonstrating how lighting, combined with color and music, affects consumer emotions and purchasing behavior. Nyagba and Tsetim (2022) also found that lighting, alongside window displays and signage, significantly impacts consumer buying behavior. However, Mwale and Phiri (2020) provided a contrasting perspective, finding no statistical correlation between store lighting and sales volume for dairy products. This suggests that while lighting is generally beneficial, its impact may depend on product type and other contextual factors.

5.3.3 Product differentiation and sales performance

The third objective sought to determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya.

The correlation results indicated a moderate positive relationship between product differentiation and sales performance, suggesting that offering unique or differentiated products significantly impacts sales performance. The regression analysis further confirmed this relationship, showing that product differentiation has a significant positive effect on sales performance. This implies that supermarkets that diversify their product offerings and emphasize unique selling points are more likely to attract customers and achieve higher sales.

Studies such as Adefulu (2020) and Diris et al. (2023) concur with the finding that product differentiation positively impacts sales performance. Adefulu's analysis of Coca-Cola and 7up in Nigeria revealed that differentiation strategies enhance market share and profitability. Diris et al. found that product differentiation significantly improves organizational performance, particularly in competitive markets. Ndumbaro (2023) further supported this by showing a strong correlation between product differentiation and sales success in the banking sector. However, Kamau's (2013) study on supermarkets highlighted limitations in generalizing these findings across diverse retail contexts, suggesting that the effectiveness of differentiation strategies may vary depending on market dynamics and consumer preferences.

5.3.4 Product access and sales performance

The final objective of the study sought to determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya.

The correlation analysis showed significant positive relationship between product access and sales performance indicating that ease of access to products plays a role in driving sales. The regression results supported this finding, showing that product access has a significant and positive effect on sales performance. This underscores the importance of ensuring that products are easily accessible to customers, as it reduces frustration and enhances the overall shopping experience. Research by Syeda et al. (2022) and Ntale (2016) aligns with the finding that product access positively influences sales performance. Syeda et al. found that accessibility and promotional strategies significantly impact brand loyalty and sales, while Ntale demonstrated that product accessibility contributes to sales performance variance in the newspaper industry. Wawira (2021) also identified a positive relationship between product access and hotel sales performance, though the results were not statistically significant, indicating that other factors may play a role. Gituma (2019) further emphasized the importance of distribution channels and store proximity in enhancing operational performance.

5.4 Conclusion

The study's main objective sought to ascertain the impact of store layout on sales performance among supermarkets in Nairobi County, Kenya.

The first objective of the study was to determine the effect of placement of products on sales performance among supermarkets in Nairobi County, Kenya. The findings revealed a strong positive relationship between product placement and sales performance, supported by both

correlation and regression analyses. The study concludes that the placement of products significantly enhances sales performance among supermarkets in Nairobi County, Kenya. This suggests that strategic product placement, such as positioning high-demand items in prominent locations, plays a critical role in attracting customer attention and driving sales. This finding contributes to the existing body of knowledge by reinforcing the importance of visual merchandising and store layout optimization in retail settings. Empirical studies such as González-Benito et al. (2023) and Kamau and Wafula (2019) align with this conclusion, emphasizing the role of product placement in influencing consumer behavior and enhancing business performance. The study concludes that optimizing product placement strategies can serve as a valuable tool for retailers seeking to improve sales outcomes.

The second specific objective was to determine the effect of store lighting on sales performance among supermarkets in Nairobi County, Kenya. The findings demonstrated a positive relationship between store lighting and sales performance, indicating that well-lit stores create an appealing shopping environment that enhances product visibility and influences customer purchasing behavior. The study concludes that store lighting has a significant positive effect on sales performance. This contributes to new knowledge by highlighting the psychological and practical benefits of effective lighting in retail spaces. Empirical studies such as Aspfors (2020) and Babin et al. (2023) support this conclusion, underscoring the role of lighting in shaping consumer perceptions and emotional responses. However, the study also acknowledges contrasting findings, such as those by Mwale and Phiri (2020), which suggest that the impact of lighting may vary depending on product type and context. The study concludes that while store lighting is a critical factor in driving sales, its effectiveness may be influenced by other situational variables.

The study's third objective was to determine the effect of product differentiation on sales performance among supermarkets in Nairobi County, Kenya. The findings revealed a moderate positive relationship between product differentiation and sales performance, suggesting that offering unique or differentiated products attracts customers and enhances sales. The study concludes that product differentiation significantly impacts sales performance. This contributes to new knowledge by emphasizing the importance of innovation and competitive positioning in retail strategies. Empirical studies such as Adefulu (2020) and Diris et al. (2023) align with this conclusion, demonstrating that product differentiation strategies enhance market share and organizational performance. However, the study also notes that the effectiveness of differentiation may vary across industries, as highlighted by Kamau's (2013) research on

supermarkets. The study concludes that product differentiation is a key driver of sales performance, particularly in competitive markets, but its implementation must be tailored to specific consumer needs and market dynamics.

The study's fourth objective was to determine the effect of product access on sales performance among supermarkets in Nairobi County, Kenya. The findings revealed a positive relationship between product access and sales performance, indicating that ease of access to products enhances customer satisfaction and purchasing behavior. The study concludes that product access plays a significant role in driving sales performance. This contributes to new knowledge by highlighting the importance of logistical efficiency and strategic distribution in retail operations. Empirical studies such as Syeda et al. (2022) and Ntale (2016) support this conclusion, demonstrating that product accessibility influences brand loyalty and sales outcomes. However, the study also acknowledges that other factors, such as market competition and consumer preferences, may moderate the impact of product access, as suggested by Wawira (2021). The study concludes that improving product accessibility is a critical strategy for enhancing sales performance, but retailers must also consider external variables to maximize its effectiveness.

5.5 Recommendations

5.5.1 Recommendations for Management

The findings of this study offer several practical recommendations for management in the retail sector, particularly for supermarkets in Nairobi County, Kenya. The management should prioritize strategic product placement to enhance sales performance. This includes positioning high-demand or high-margin products in prominent locations within the store, such as eye-level shelves or near checkout counters, to maximize visibility and accessibility.

Additionally, investing in effective store lighting is crucial. Management should ensure that stores are well-lit to create an appealing shopping environment, highlight product features, and improve the overall customer experience.

Moreover, product differentiation should be emphasized to attract and retain customers. Supermarkets should diversify their product offerings and focus on unique selling points, such as quality, affordability, or exclusivity, to stand out in a competitive market.

Finally, improving product accessibility is essential. Management should optimize store layouts, ensure efficient distribution channels, and minimize barriers to product access to enhance customer satisfaction and drive sales. These recommendations are grounded in the study's findings and provide actionable strategies for improving sales performance.

5.5.2 Policy Recommendations

The findings of this study also have important policy implications for the government. First, the government should consider developing and enforcing retail standards that promote effective product placement and store design. This could include guidelines on optimal store layouts and lighting requirements to ensure a positive shopping experience for consumers. Additionally, the government should support initiatives that encourage innovation and product differentiation among retailers. This could involve providing incentives or grants to supermarkets that invest in unique product offerings or advanced retail technologies. The government should improve infrastructure, particularly in urban areas like Nairobi County, to enhance product accessibility. This includes ensuring reliable transportation networks and adequate storage facilities to support efficient distribution channels. By addressing these areas, the government can create an enabling environment for retailers to thrive, ultimately contributing to economic growth and consumer satisfaction.

5.5.3 Theoretical Implications

The findings of this study align with and support the arguments of the theories used, namely Gestalt theory and Maslow's hierarchy of needs. Gestalt theory, which emphasizes the importance of perception and organization in consumer behavior, is reflected in the study's findings on product placement and store lighting. The positive relationship between these predictor variables and sales performance underscores how visual organization and sensory cues influence consumer decision-making.

For instance, strategic product placement and effective lighting create a cohesive and appealing shopping environment, aligning with Gestalt principles of perception.

Similarly, Maslow's theory, which highlights the role of psychological needs in driving behavior, is supported by the findings on product differentiation and accessibility. Offering unique products caters to consumers' esteem and self-actualization needs, while ensuring easy access to products addresses their basic physiological and safety needs. These theoretical implications reinforce the relevance of Gestalt theory and Maslow's hierarchy of needs in understanding and predicting consumer behavior in retail settings.

5.6 Limitations of the Study

The study, which utilized questionnaire data to examine the impact of store layout on sales performance among supermarkets in Nairobi County, Kenya, has several limitations. First, reliance on self-reported data may introduce response bias, as participants might provide socially desirable answers rather than accurate reflections of their behavior (Podsakoff et al., 2019). Second, the cross-sectional design limits the ability to establish causal relationships between variables (Aspfors, 2020). Third, the study's focus on Nairobi County may restrict the generalizability of findings to other regions with different market dynamics. To address these limitations, the study employed robust statistical analyses, such as correlation and regression, to validate the relationships between variables (González-Benito et al., 2023). Additionally, the inclusion of diverse supermarket sizes and locations within Nairobi County enhanced the representativeness of the sample.

5.7 Recommendation for Further Studies

While this study focused on product placement, store lighting, product differentiation, and product access as predictors of sales performance, future research should explore additional variables that may influence sales outcomes in supermarkets. The role of customer service quality on sales performance could be investigated, as it directly impacts customer satisfaction and loyalty.

Additionally, the effect of pricing strategies, such as discounts, promotions, and dynamic pricing, on sales performance could be examined.

Also, the influence of technology, such as self-checkout systems and mobile payment options, on consumer behavior and sales could be explored. Additionally further research should explore the impact of store ambiance, including factors like music, scent, and temperature, on sales performance warrants further investigation. Finally, future studies could consider the role of demographic factors, such as age, income, and cultural preferences, in shaping purchasing behavior.

The study focused on the impact of store layout on sales performance among supermarkets in Nairobi County, Kenya, this limited the scope of the target population. The study therefore recommends that further studies should be conducted to focus on all supermarkets in Kenya.

5.8 Chapter Summary

The results from the summary of findings indicated that strategic product placement significantly enhances sales performance by improving product visibility and accessibility. Store lighting was found to positively influence sales by creating an appealing shopping environment. Product differentiation contributed to sales growth by attracting customers with unique offerings, while ease of product access further boosted performance. The findings align with Gestalt theory and Maslow's hierarchy of needs, emphasizing the role of perception and consumer needs in retail success. Recommendations include optimizing store layouts, enhancing lighting, and ensuring product accessibility. Future research could explore additional factors such as pricing strategies and technological innovations in retail settings.



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APPENDICES

Appendix I: Questionnaire

The questionnaire seeks information on **EFFECTS OF STORE LAYOUT ON SALES PERFORMANCE AMONG SUPERMARKETS IN NAIROBI COUNTY, KENYA.**

Kindly Tick and fill where appropriate

Part A: Respondent's Profile

1. Gender

Male

Female

2. What is your age bracket

Below 25years

26 to 35 years

36 to 45 years

46 to 55 years

above 55 years

3. What is the highest educational level you have attained?

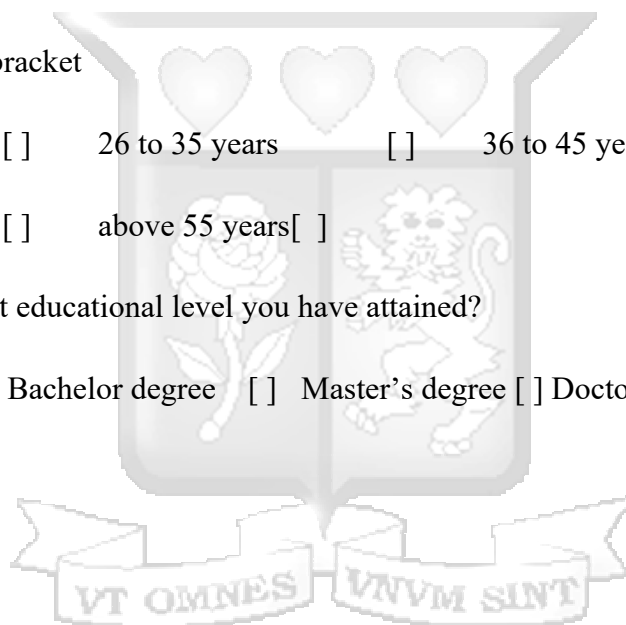
Diploma

Bachelor degree

Master's degree

Doctorate

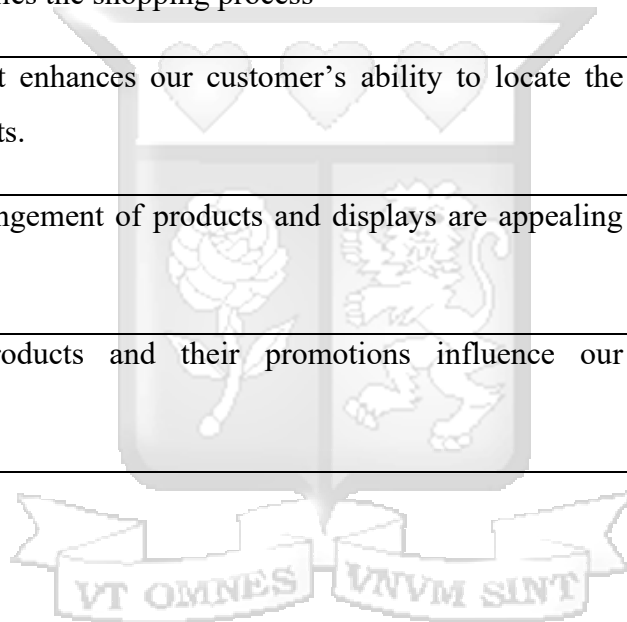
Others



Part B: PLACEMENT OF PRODUCTS

Please rate the statements below by choosing agree, neutral or disagree. a number between 1 and 5, where 1 suggests significant disagreement, 2 disagreements, 3 being neutral, 4 an agreement, and 5 full agreements.

Statements	1	2	3	4	5
Strategic placement of products and promotional displays capture our customer’s attention					
Our supermarket has a well-planned store layout with ample space and proper spacing simplifies the shopping process					
Adequate store layout enhances our customer’s ability to locate the product he or she wants.					
Our supermarket arrangement of products and displays are appealing and well organized					
Highlighting key products and their promotions influence our purchasing decision					



STORE LIGHTING

Please rate the statements below by choosing agree, neutral or disagree. a number between 1 and 5, where 1 suggests significant disagreement, 2 disagreements, 3 being neutral, 4 an agreement, and 5 full agreements.

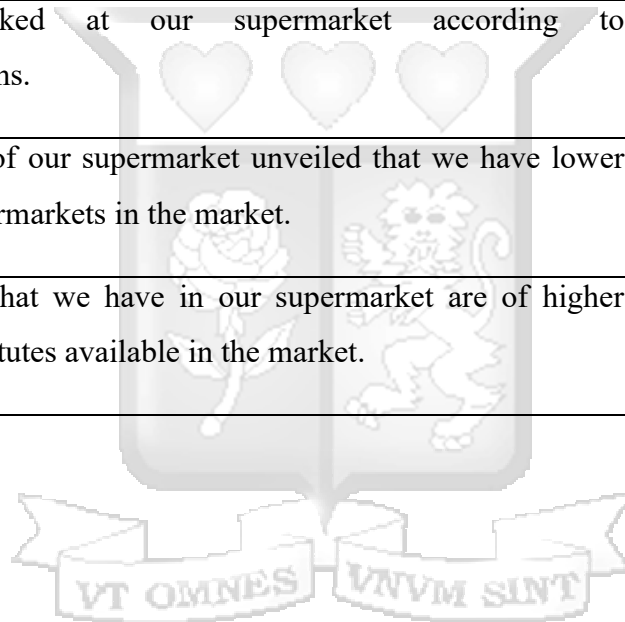
Statements	1	2	3	4	5
This supermarket has cool color like green and blue are preferred over the stores that have color like red and yellow.					
Good lightning impacts the atmosphere of our supermarket					
Our supermarket interior matches the logo color options that need to be used in the specific supermarket.					
According to the subject of discussion, proper lighting of out supermarket assists the customers to look at the product's labeling and other information.					
Good Lightning 'invites' our customers to the store.					



PRODUCT DIFFERENTIATION

Please rate the statements below by choosing agree, neutral or disagree. A number between 1 and 5, where 1 suggests significant disagreement, 2 disagreements, 3 being neutral, 4 an agreement, and 5 full agreement.

Statements	1	2	3	4	5
Our grocery store sells goods with distinctive styles.					
Our supermarket is able to present the customers with a general array of products.					
Products are stocked at our supermarket according to consumer specifications.					
The pricing strategy of our supermarket unveiled that we have lower prices than other supermarkets in the market.					
The product brands that we have in our supermarket are of higher quality than the substitutes available in the market.					



PRODUCT ACCESS

Please rate the statements below by choosing agree, neutral or disagree. A number between 1 and 5, where 1 suggests significant disagreement, 2 disagreements, 3 being neutral, 4 an agreement, and 5 full agreements.

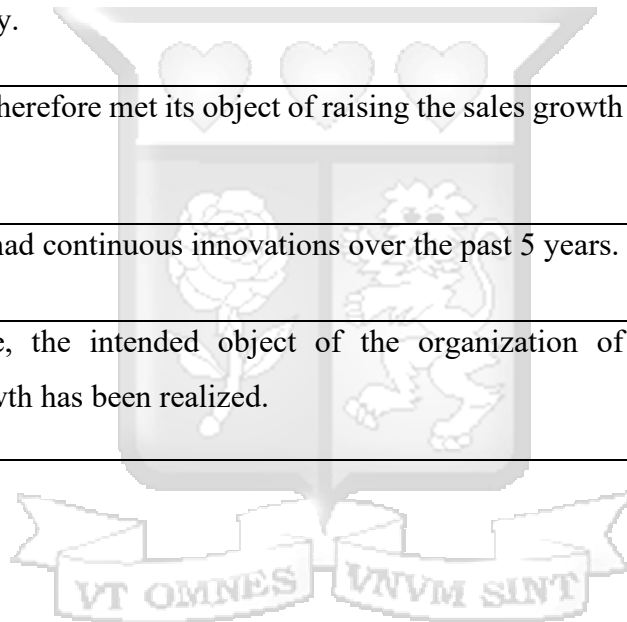
Statements	1	2	3	4	5
The shop is situated such that all of its intended consumers may see it.					
All the entire year, this chain of supermarkets benefits from dependable supply-chain methods.					
Our supermarket is located in the allied areas where there are other supermarkets selling similar products.					
There is product placement in our supermarket so that the products can be easily seen by the customers.					
Our supermarket is easily accessible by customers					



Part C: SALES PERFORMANCE

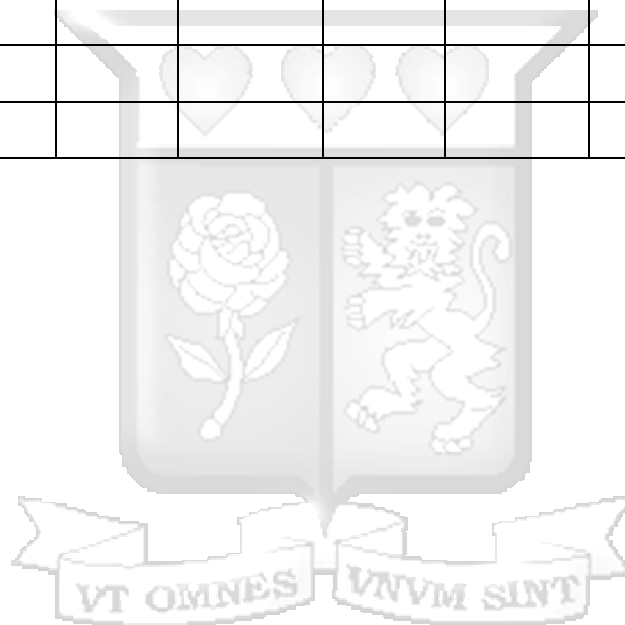
Please rate the statements below by choosing agree, neutral or disagree. A number between 1 and 5, where 1 suggests significant disagreement, 2 disagreements, 3 being neutral, 4 an agreement, and 5 full agreements.

Statements	1	2	3	4	5
Internal business processes have improved over the last five years					
The supermarket's marketplace share has grown.					
The physical resources have assisted in raising the organization profits due to their availability.					
The supermarket has therefore met its object of raising the sales growth rate.					
Our supermarket has had continuous innovations over the past 5 years.					
From this experience, the intended object of the organization of boosting up sales growth has been realized.					



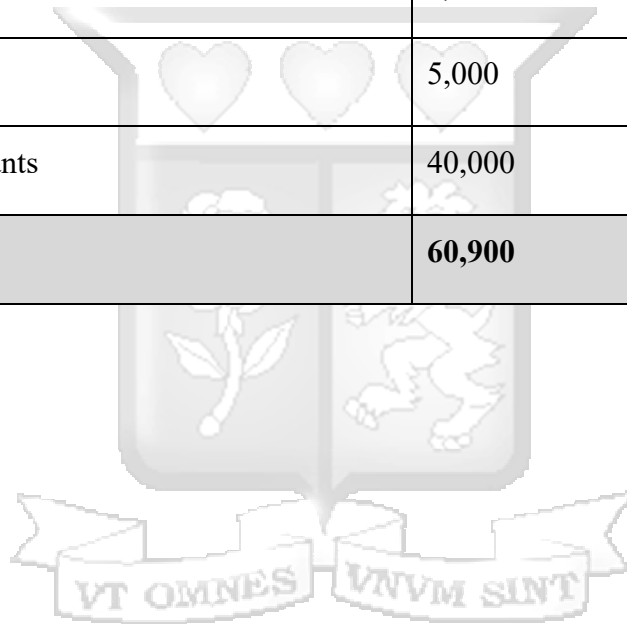
Appendix II: Work Plan

Activity	AUG 2024	SEP 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025
Proposal Development								
Presentation								
Pilot Testing								
Data Collection								
Data Coding & Editing								
Data Analysis								
Report Writing								
Submission								



Appendix III: Budget

Description	Total
Stationery	3,000
Photocopying	1600
Typing	2,300
Binding	5,000
Internet	4,000
Book binding	5,000
Research Assistants	40,000
Total	60,900



Appendix IV: SU-ISERC Letter



27th March 2025

Mr Thoya Katana,
thoya.stephen@strathmore.edu

Dear Mr Thoya,

RE: Effects of Store Layout on Sales Performance Among Supermarkets in Nairobi County, Kenya

This is to inform you that SU-ISERC has reviewed and **approved** your above **SU-masters** proposal. Your application reference number is **SU-ISERC2724/25**. The approval period is from **27th March 2025 to 26th March 2026**.

This approval is subject to compliance with the following requirements:

- i. Only approved documents including (informed consents, study instruments, MTA) will be used.
- ii. All changes including (amendments, deviations, and violations) are submitted for review and approval by SU-ISERC.
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to SU-ISERC within 72 hours of notification.
- iv. Any changes anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to SU-ISERC within 72 hours.
- v. Clearance for the export of biological specimens must be obtained from relevant institutions.
- vi. Submission of a request for renewal of approval at least 60 days prior to the expiry of the approval period. Attach a comprehensive progress report to support the renewal.
- vii. Submission of an executive summary report within 90 days of completion of the study to SU-ISERC.






Before commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology, and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke/> and obtain other clearances needed.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ambrose Rachier".

**Mr Ambrose Rachier,
Chairperson; SU-ISERC**

Appendix V: RESEARCH LICENCE

 REPUBLIC OF KENYA	 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
Ref No: 356930	Date of Issue: 04/April/2025
RESEARCH LICENSE	
	
This is to Certify that Mr. Thoya Stephen Katana of Strathmore University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: EFFECTS OF STORE LAYOUT ON SALES PERFORMANCE AMONG SUPERMARKETS IN NAIROBI COUNTY, KENYA for the period ending : 04/April/2026.	
License No: NACOSTI/P/25/417877	
356930	
Applicant Identification Number	Director General NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
	Verification QR Code
	
NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.	
See overleaf for conditions	

Appendix VI: CONDITIONS OF THE RESEARCH LICENCE

THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013 (Rev. 2014)
Legal Notice No. 108: The Science, Technology and Innovation (Research Licensing) Regulations, 2014

The National Commission for Science, Technology and Innovation, hereafter referred to as the Commission, was established under the Science, Technology and Innovation Act 2013 (Revised 2014) herein after referred to as the Act. The objective of the Commission shall be to regulate and assure quality in the science, technology and innovation sector and advise the Government in matters related thereto.

CONDITIONS OF THE RESEARCH LICENSE

1. The License is granted subject to provisions of the Constitution of Kenya, the Science, Technology and Innovation Act, and other relevant laws, policies and regulations. Accordingly, the licensee shall adhere to such procedures, standards, code of ethics and guidelines as may be prescribed by regulations made under the Act, or prescribed by provisions of International treaties of which Kenya is a signatory to.
2. The research and its related activities as well as outcomes shall be beneficial to the country and shall not in any way;
 - i. Endanger national security
 - ii. Adversely affect the lives of Kenyans
 - iii. Be in contravention of Kenya's international obligations including Biological Weapons Convention (BWC), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), Chemical, Biological, Radiological and Nuclear (CBRN).
 - iv. Result in exploitation of intellectual property rights of communities in Kenya
 - v. Adversely affect the environment
 - vi. Adversely affect the rights of communities
 - vii. Endanger public safety and national cohesion
 - viii. Plagiarize someone else's work
3. The License is valid for the proposed research, location and specified period.
4. Neither the license nor any rights thereunder are transferable.
5. The Commission reserves the right to cancel the research at any time during the research period if in the opinion of the Commission the research is not implemented in conformity with the provisions of the Act or any other written law.
6. The Licensee shall inform the relevant County Director of Education, County Commissioner and County Governor before commencement of the research.
7. Excavation, filming, movement, and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
8. The License does not give authority to transfer research materials.
9. The Commission may monitor and evaluate the licensed research project for the purpose of assessing and evaluating compliance with the conditions of the License.
10. The Licensee shall submit one hard copy, and upload a soft copy of their final report (thesis) onto a platform designated by the Commission within one year of completion of the research.
11. The Commission reserves the right to modify the conditions of the License including cancellation without prior notice.
12. Research, findings and information regarding research systems shall be stored or disseminated, utilized or applied in such a manner as may be prescribed by the Commission from time to time.
13. The Licensee shall disclose to the Commission, the relevant Institutional Scientific and Ethical Review Committee, and the relevant national agencies any inventions and discoveries that are of National strategic importance.
14. The Commission shall have powers to acquire from any person the right in, or to, any scientific innovation, invention or patent of strategic importance to the country.
15. Relevant Institutional Scientific and Ethical Review Committee shall monitor and evaluate the research periodically, and make a report of its findings to the Commission for necessary action.

National Commission for Science, Technology and
Innovation(NACOSTI),
Off Waiyaki Way, Upper Kabete,
P. O. Box 30623 - 00100 Nairobi, KENYA
Telephone: 020 4007000, 0713788787, 0735404245
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Website: www.nacosti.go.ke

